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TO STRENGTHEN IRAN SANCTIONS LAWS FOR THE PURPOSE OF COMPELLING IRAN TO ABANDON ITS PURSUIT OF NUCLEAR WEAPONS AND OTHER THREATENING ACTIVITIES, AND FOR OTHER PURPOSES; AND TO PROVIDE FOR THE APPLICATION OF MEASURES TO FOREIGN PERSONS WHO TRANSFER TO IRAN, NORTH KOREA, AND SYRIA CERTAIN GOODS, SERVICES, OR TECHNOLOGY, AND FOR OTHER PURPOSES

MARKUP

BEFORE THE

COMMITTEE ON FOREIGN AFFAIRS
HOUSE OF REPRESENTATIVES

ONE HUNDRED TWELFTH CONGRESS

FIRST SESSION

ON

H.R. 1905 and H.R. 2105

NOVEMBER 2, 2011

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CONTENTS

Page

MARKUP OF

H.R. 1905, To strengthen Iran sanctions laws for the purpose of compelling Iran to abandon its pursuit of nuclear weapons and other threatening activities, and for other purposes 2
Amendment in the nature of a substitute to H.R. 1905 offered by the Honorable Ileana Ros-Lehtinen, a Representative in Congress from the State of Florida, and chairman, Committee on Foreign Affairs 85
En bloc amendments to the amendment in the nature of a substitute to H.R. 1905 offered by: .....
The Honorable Theodore E. Deutch, a Representative in Congress from the State of Florida 202
The Honorable William Keating, a Representative in Congress from the Commonwealth of Massachusetts 205
The Honorable Ted Poe, a Representative in Congress from the State of Texas 206
The Honorable Edward R. Royce, a Representative in Congress from the State of California 208
Amendment to the amendment in the nature of a substitute to H.R. 1905 offered by the Honorable Howard L. Berman, a Representative in Congress from the State of California 213
H.R. 2105, To provide for the application of measures to foreign persons who transfer to Iran, North Korea, and Syria certain goods, services, or technology, and for other purposes 219
Amendment in the nature of a substitute to H.R. 2105 offered by the Honorable Ileana Ros-Lehtinen 259
Amendment to the amendment in the nature of a substitute to H.R. 2105 offered by the Honorable Howard L. Berman and the Honorable Ileana Ros-Lehtinen 303

APPENDIX

Markup notice 306
Markup minutes 307
The Honorable Ron Paul, a Representative in Congress from the State of Texas: Prepared statement on H.R. 1905 309
The Honorable Gerald E. Connolly, a Representative in Congress from the Commonwealth of Virginia: Prepared statement on H.R. 1905 and H.R. 2105 311
The Honorable Dennis Cardoza, a Representative in Congress from the State of California: Prepared statement 313
The Honorable Laura Richardson, a Representative in Congress from the State of California: Prepared statement on H.R. 1905 315

TO STRENGTHEN IRAN SANCTIONS LAWS FOR THE PURPOSE OF COMPELLING IRAN TO ABANDON ITS PURSUIT OF NUCLEAR WEAPONS AND OTHER THREATENING ACTIVITIES, AND FOR OTHER PURPOSES; AND TO PROVIDE FOR THE APPLICATION OF MEASURES TO FOREIGN PERSONS WHO TRANSFER TO IRAN, NORTH KOREA, AND SYRIA CERTAIN GOODS, SERVICES, OR TECHNOLOGY, AND FOR OTHER PURPOSES

WEDNESDAY, NOVEMBER 2, 2011

HOUSE OF REPRESENTATIVES,
COMMITTEE ON FOREIGN AFFAIRS,
Washington, DC.

The committee met, pursuant to notice, at 10:05 a.m., in room 2172, Rayburn House Office Building, Hon. Ileana Ros-Lehtinen (chairman of the committee) presiding.

Chairman ROS-LEHTINEN. The committee will come to order.

Pursuant to notice, the committee meets today to consider two timely bills to address critical threats facing the United States.

At the outset, without objection, all members may have 5 days to submit remarks on either of today's bills for the record.

I now call up the bill H.R. 1905, the Iran Threat Reduction Act of 2011.

Ms. CARROLL. H.R. 1905, to strengthen Iran sanctions laws for the purpose of compelling——

Chairman ROS-LEHTINEN. Thank you.

Without objection, the bill is considered as read and open for amendment at any point.

[H.R. 1905 follows:]

I

112TH CONGRESS
1ST SESSION

H. R. 1905

To strengthen Iran sanctions laws for the purpose of compelling Iran to abandon its pursuit of nuclear weapons and other threatening activities, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MAY 13, 2011

Ms. ROS-LEHTINEN (for herself, Mr. BERMAN, Mr. ROYCE, Mr. SHERMAN, Mr. BURTON of Indiana, Mr. DEUTCH, Mr. CHABOT, and Mr. ACKERMAN) introduced the following bill; which was referred to the Committee on Foreign Affairs, and in addition to the Committees on Financial Services, Oversight and Government Reform, the Judiciary, and Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

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A BILL

To strengthen Iran sanctions laws for the purpose of compelling Iran to abandon its pursuit of nuclear weapons and other threatening activities, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Iran Threat Reduction Act of 2011".

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title; table of contents.
Sec. 2. Findings.
Sec. 3. Statement of policy.

TITLE I—IRAN ENERGY SANCTIONS

Sec. 101. Findings.
Sec. 102. Sense of Congress.
Sec. 103. Declaration of policy.
Sec. 104. Multilateral regime.
Sec. 105. Imposition of sanctions.
Sec. 106. Description of sanctions.
Sec. 107. Advisory opinions.
Sec. 108. Termination of sanctions.
Sec. 109. Duration of sanctions.
Sec. 110. Reports required.
Sec. 111. Determinations not reviewable.
Sec. 112. Exclusion of certain activities.
Sec. 113. Definitions.
Sec. 114. Effective date.
Sec. 115. Repeal.

TITLE II—IRAN FREEDOM SUPPORT

Sec. 201. Codification of sanctions.
Sec. 202. Declaration of Congress regarding United States policy toward Iran.
Sec. 203. Assistance to support democracy in Iran.
Sec. 204. Imposition of sanctions on certain persons who are responsible for or complicit in human rights abuses committed against citizens of Iran or their family members after the June 12, 2009, elections in Iran.
Sec. 205. Comprehensive strategy to promote Internet freedom and access to information in Iran.

TITLE III—IRAN REGIME AND IRAN REVOLUTIONARY GUARD CORPS ACCOUNTABILITY

Sec. 301. Exportation of petroleum, oil, and natural gas produced by Iran's Islamic Revolutionary Guard Corps or its affiliates.
Sec. 302. Iranian activities in Iraq and Afghanistan.
Sec. 303. United States policy toward Iran.
Sec. 304. Definitions.

TITLE IV—IRAN FINANCIAL SANCTIONS; DIVESTMENT FROM CERTAIN COMPANIES THAT INVEST IN IRAN; AND PREVENTION OF DIVERSION OF CERTAIN GOODS, SERVICES, AND TECHNOLOGIES TO IRAN

Sec. 401. Iran financial sanctions.
Sec. 402. Divestment from certain companies that invest in Iran.
Sec. 403. Prevention of diversion of certain goods, services, and technologies to Iran.

TITLE V—SECURITIES AND EXCHANGE COMMISSION

Sec. 501. Disclosures to the Securities and Exchange Commission relating to sanctionable activities.

TITLE VI—GENERAL PROVISIONS

Sec. 601. Denial of visas for certain persons of the Government of Iran.
Sec. 602. Sunset.

SEC. 2. FINDINGS.

Congress makes the following findings:

(1) Successive administrations have clearly identified the unacceptability of the Iranian regime's pursuit of nuclear weapons capabilities and the danger that pursuit presents to the United States, to our friends and allies, and to global security.

(2) In May 1995, President Clinton stated that "The specter of an Iran armed with weapons of mass destruction and the missiles to deliver them haunts not only Israel but the entire Middle East and ultimately all the rest of us as well. The United States and, I believe, all the Western nations have an overriding interest in containing the threat posed by Iran.".

(3) In the 2006 State of the Union Address, President Bush stated that "The Iranian government is defying the world with its nuclear ambitions, and the nations of the world must not permit the Iranian regime to gain nuclear weapons. America

will continue to rally the world to confront these threats.".

(4) In February 2009, President Obama committed the Administration to "developing a strategy to use all elements of American power to prevent Iran from developing a nuclear weapon".

(5) Iran is a major threat to U.S. national security interests, not only exemplified by Tehran's nuclear program but also by its material assistance to armed groups in Iraq and Afghanistan, to the Palestinian group Hamas, to Lebanese Hezbollah, and to other extremists that seek to undermine regional stability. These capabilities provide the regime with potential asymmetric delivery vehicles and mechanisms for nuclear or other unconventional weapons.

(6) Iran's growing inventory of ballistic missile and other destabilizing types of conventional weapons provides the regime the capabilities to enhance its power projection throughout the region and undermine the national security interests of the U.S. and its friends and allies.

(7) Were Iran to achieve a nuclear weapons capability, it would, inter alia—

(A) likely lead to the proliferation of such weapons throughout the region, where several states have already indicated interest in nuclear programs, and would dramatically undercut 60 years of U.S. efforts to stop the spread of nuclear weapons;

(B) greatly increase the threat of nuclear terrorism;

(C) significantly expand Iran's already-growing influence in the region;

(D) insulate the regime from international pressure, giving it wider scope further to oppress its citizens and pursue aggression regionally and globally;

(E) embolden all Iranian-supported terrorist groups, including Hamas and Hezbollah; and

(F) directly threaten several U.S. friends and allies, especially Israel, whose very right to exist has been denied successively by every leader of the Islamic Republic of Iran and which Iranian President Ahmadinejad says should be "wiped off the map".

(8) Successive Congresses have clearly recognized the threat that the Iranian regime and its poli-

cies present to the United States, to our friends and allies, and to global security, and responded with successive bipartisan legislative initiatives.

(9) The extent of the Iranian threat is greater today than when the Iran-Libya Sanctions Act was signed into law in 1996, now known as the Iran Sanction Act. That landmark legislation imposed sanctions on foreign companies investing in Iran's energy infrastructure in an effort to undermine the strategic threat from Iran, by cutting off investment in its petroleum sector and thereby denying the regime its economic lifeline and its ability to pursue a nuclear program.

(10) Legislation like ILSA, which was re-titled the Iran Sanctions Act in 2006, paved the way for similar legislation, such as the Iran, North Korea and Syria Nonproliferation Act; the Iran-Iraq Arms Nonproliferation Act (2006); the Iran Freedom Support Act (2006); and the Comprehensive Iran Sanctions, Accountability, and Divestment Act (2010).

(11) U.S. sanctions on Iran have hindered Iran's ability to attract capital, material, and technical support for its petroleum sector, creating financial difficulties for the regime.

(12) In the Joint Explanatory Statement of the Committee of Conference to the Comprehensive Iran Sanctions, Accountability, and Divestment Act of 2010 (CISADA) (Public Law 111–195; 50 U.S.C. 1701 note) issued on June 23, 2010, the Members of the Committee of Conference noted that "Although [the Iran Sanctions Act] was enacted more than a decade ago, no Administration has sanctioned a foreign entity for investing $20 million or more in Iran's energy sector, despite a number of such investments. Indeed, on only one occasion, in 1998, did the Administration make a determination regarding a sanctions-triggering investment, but the Administration waived sanctions against the offending persons. Conferees believe that the lack of enforcement of relevant enacted sanctions may have served to encourage rather than deter Iran's efforts to pursue nuclear weapons.".

(13) The Joint Explanatory Statement also noted that "The effectiveness of this Act will depend on its forceful implementation. The Conferees urge the President to vigorously impose the sanctions provided for in this Act.".

(14) The Comprehensive Iran Sanctions, Accountability, and Divestment Act of 2010 mandates

(among other provisions) that the President initiate investigations of potentially sanctionable activity under the Iran Sanctions Act (Public Law 104–172; 50 U.S.C. 1701 note). Although more than 6 months have passed since enactment of this legislation, Congress has not received notice of the imposition of sanctions on any entities that do significant business in the U.S., despite multiple reports of potentially sanctionable activity by such entities. Although, in accordance with CISADA, some potentially sanctionable entities have been persuaded to wind down and end their involvement in Iran, others have not. In fact, since CISADA became law, only two entities have been sanctioned, neither of which does business in the U.S. and both of which are therefore largely untouched by the sanctions.

(15) It is unlikely that Iran can be compelled to abandon its pursuit of nuclear weapons unless sanctions are fully and effectively implemented.

SEC. 3. STATEMENT OF POLICY.

It shall be the policy of the United States to—

(1) prevent Iran from—

(A) acquiring or developing nuclear weapons and associated delivery capabilities;

(B) developing its unconventional weapons and ballistic missile capabilities; and

(C) continuing its support for Foreign Terrorist Organizations and other activities aimed at undermining and destabilizing its neighbors and other nations; and

(2) fully implement all multilateral and bilateral sanctions against Iran in order to compel the Government of Iran to—

(A) abandon and verifiably dismantle its nuclear capabilities;

(B) abandon and verifiably dismantle its ballistic missile and unconventional weapons programs; and

(C) cease all support for Foreign Terrorist Organizations and other activities aimed at undermining and destabilizing its neighbors and other nations.

TITLE I—IRAN ENERGY SANCTIONS

SEC. 101. FINDINGS.

Congress makes the following findings:

(1) The efforts of the Government of Iran to achieve nuclear weapons capability and to acquire other unconventional weapons and the means to de-

liver them, both through ballistic-missile and asymmetric means, and its support for foreign terrorist organizations and other extremists endanger the national security and foreign policy interests of the United States and those countries with which the United States shares common strategic and foreign policy objectives.

(2) The objectives of preventing the proliferation of nuclear and other unconventional weapons and countering the activities of foreign terrorist organizations and other extremists through existing multilateral and bilateral initiatives require further efforts to deny Iran the financial means to sustain its nuclear, chemical, biological, and missile weapons programs and its active support for terrorism.

(3) The Government of Iran uses its diplomatic facilities and quasi-governmental institutions outside of Iran to support foreign terrorist organizations and other extremists, and assist its unconventional weapons and missile programs, including its nuclear program.

SEC. 102. SENSE OF CONGRESS.

It is the sense of Congress that the goal of compelling Iran to abandon its pursuit of nuclear weapons and other threatening activities can be achieved most effectively

through full implementation of all sanctions enacted into law, including those sanctions set out in this title.

SEC. 103. DECLARATION OF POLICY.

Congress declares that it is the policy of the United States to deny Iran the ability to support acts of foreign terrorist organizations and extremists and develop unconventional weapons and ballistic missiles. A critical means of achieving that goal is sanctions that limit Iran's ability to develop its energy resources, including its ability to explore for, extract, refine, and transport by pipeline its hydrocarbon resources, in order to limit the funds Iran has available for pursuing its objectionable activities.

SEC. 104. MULTILATERAL REGIME.

(a) MULTILATERAL NEGOTIATIONS.—In order to further the objectives of section 103, Congress urges the President immediately to initiate diplomatic efforts, both in appropriate international fora such as the United Nations, and bilaterally with allies of the United States, to expand the multilateral sanctions regime regarding Iran, including—

(1) qualitatively expanding the United Nations Security Council sanctions regime against Iran;

(2) qualitatively expanding the range of sanctions by the European Union, South Korea, Japan, Australia, and other key United States allies;

(3) further efforts to limit Iran's development of petroleum resources and import of refined petroleum; and

(4) initiatives aimed at increasing non-Iranian crude oil product output for current purchasers of Iranian petroleum and petroleum byproducts.

(b) REPORTS TO CONGRESS.—Not later than 180 days after the date of the enactment of this Act, and annually thereafter, the President shall submit to the appropriate congressional committees a report on the extent to which diplomatic efforts described in subsection (a) have been successful. Each report shall include—

(1) the countries that have agreed to undertake measures to further the objectives of section 103 with respect to Iran, and a description of those measures; and

(2) the countries that have not agreed to measures described in paragraph (1), and, with respect to those countries, other measures the President recommends that the United States take to further the objectives of section 103 with respect to Iran.

(c) INTERIM REPORT ON MULTILATERAL SANCTIONS; MONITORING.—Not later than 90 days after the date of the enactment of this Act, the President shall sub-

mit to the appropriate congressional committees a report on—

(1) the countries that have established legislative or administrative standards providing for the imposition of trade sanctions on persons or their affiliates that conduct business or have investments in Iran;

(2) the extent and duration of each instance of the application of such sanctions; and

(3) the disposition of any decision with respect to such sanctions by the World Trade Organization or its predecessor organization.

(d) INVESTIGATIONS.—

(1) IN GENERAL.—The President shall initiate an investigation into the possible imposition of sanctions under section 105 against a person upon receipt by the United States of credible information indicating that such person is engaged in an activity described in such section.

(2) DETERMINATION AND NOTIFICATION.—Not later than 180 days after the date on which an investigation is initiated under paragraph (1), the President shall (unless paragraph (6) applies) determine, pursuant to section 105, if a person has engaged in an activity described in such section and

shall notify the appropriate congressional committees of the basis for any such determination.

(3) BRIEFING.—

(A) IN GENERAL.—Not later than 30 days after the date of the enactment of this Act, and at the end of every three-month period thereafter, the President, acting through the Secretary of State, shall brief the appropriate congressional committees regarding investigations initiated under this subsection.

(B) FORM.—The briefings required under subparagraph (A) shall be provided in unclassified form, but may be provided in classified form.

(4) SUBMISSION OF INFORMATION.—

(A) IN GENERAL.—The Secretary of State shall, in accordance with section 15(b) of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2680(b)), provide to the appropriate congressional committees all requested information relating to investigations or reviews initiated under this title.

(B) FORM.—The information required under subparagraph (A) shall be provided in

unclassified form, but may contain a classified annex.

(5) TERMINATION.—Subject to paragraph (6), the President may, on a case-by-case basis, terminate an investigation of a person initiated under this subsection.

(6) SPECIAL RULE.—

(A) IN GENERAL.—The President need not initiate an investigation, and may terminate an investigation, on a case-by-case basis under this subsection if the President certifies in writing in to the appropriate congressional committees 15 days prior to the determination that—

(i) the person whose activity was the basis for the investigation is no longer engaging in the activity or is divesting all holdings and terminating the activity within one year from the date of the certification; and

(ii) the President has received reliable assurances that the person will not knowingly engage in an activity described in section 105(a) in the future.

(B) APPLICATION OF SANCTIONS.—The President shall apply the sanctions described in

section 106(a) in accordance with section 105(a) to a person described in subparagraph (A) of this paragraph if the person fails to verifiably divest all holdings and terminate the activity described in subparagraph (A) of this paragraph within one year from the date of certification.

SEC. 105. IMPOSITION OF SANCTIONS.

(a) SANCTIONS WITH RESPECT TO THE DEVELOPMENT OF PETROLEUM RESOURCES OF IRAN, PRODUCTION OF REFINED PETROLEUM PRODUCTS IN IRAN, AND EXPORTATION OF REFINED PETROLEUM PRODUCTS TO IRAN.—

(1) DEVELOPMENT OF PETROLEUM RESOURCES OF IRAN.—

(A) IN GENERAL.—Except as provided in subsection (f), the President shall impose a majority of the sanctions described in section 106(a) with respect to a person if the President determines that the person knowingly, on or after the date of the enactment of this Act—

(i) makes an investment described in subparagraph (B) of $20,000,000 or more; or

(ii) makes a combination of investments described in subparagraph (B) in a 12-month period if each such investment is of at least $5,000,000 and such investments equal or exceed $20,000,000 in the aggregate.

(B) INVESTMENT DESCRIBED.—An investment described in this subparagraph is an investment that directly and significantly contributes to the enhancement of Iran's ability to develop petroleum resources.

(2) PRODUCTION OF REFINED PETROLEUM PRODUCTS.—

(A) IN GENERAL.—Except as provided in subsection (f), the President shall impose a majority of the sanctions described in section 106(a) with respect to a person if the President determines that the person knowingly, on or after the date of the enactment this Act, sells, leases, or provides to Iran goods, services, technology, information, or support described in subparagraph (B)—

(i) any of which has a fair market value of $1,000,000 or more; or

(ii) that, during a 12-month period, have an aggregate fair market value of $5,000,000 or more.

(B) GOODS, SERVICES, TECHNOLOGY, INFORMATION, OR SUPPORT DESCRIBED.—Goods, services, technology, information, or support described in this subparagraph are goods, services, technology, information, or support that could directly and significantly facilitate the maintenance or expansion of Iran's domestic production of refined petroleum products, including any direct and significant assistance with respect to the construction, modernization, or repair of petroleum refineries or associated infrastructure, including construction of port facilities, railways, and roads, the primary use of which is to support the delivery of refined petroleum products.

(3) EXPORTATION OF REFINED PETROLEUM PRODUCTS TO IRAN.—

(A) IN GENERAL.—Except as provided in subsection (f), the President shall impose a majority of the sanctions described in section 106(a) with respect to a person if the President

determines that the person knowingly, on or after the date of the enactment of this Act—

(i) sells or provides to Iran refined petroleum products—

(I) that have a fair market value of $1,000,000 or more; or

(II) that, during a 12-month period, have an aggregate fair market value of $5,000,000 or more; or

(ii) sells, leases, or provides to Iran goods, services, technology, information, or support described in subparagraph (B)—

(I) any of which has a fair market value of $1,000,000 or more; or

(II) that, during a 12-month period, have an aggregate fair market value of $5,000,000 or more.

(B) GOODS, SERVICES, TECHNOLOGY, INFORMATION, OR SUPPORT DESCRIBED.—Goods, services, technology, information, or support described in this subparagraph are goods, services, technology, information, or support that could directly and significantly contribute to the enhancement of Iran's ability to import refined petroleum products, including—

(i) except as provided in subparagraph (C), underwriting or entering into a contract to provide insurance or reinsurance for the sale, lease, or provision of such goods, services, service contracts, technology, information, or support;

(ii) financing or brokering such sale, lease, or provision;

(iii) purchasing, subscribing to, or facilitating the issuance of Iranian sovereign debt; or

(iv) providing ships or shipping services.

(C) EXCEPTION FOR UNDERWRITERS AND INSURANCE PROVIDERS EXERCISING DUE DILIGENCE.—The President may not impose sanctions under this paragraph with respect to a person that provides underwriting services or insurance or reinsurance if the President determines that the person has exercised due diligence in establishing and enforcing official policies, procedures, and controls to ensure that the person does not underwrite or enter into a contract to provide insurance or reinsurance for the sale, lease, or provision of goods, services,

technology, information, or support described in subparagraph (B).

(b) MANDATORY SANCTIONS WITH RESPECT TO DEVELOPMENT OF WEAPONS OF MASS DESTRUCTION OR OTHER MILITARY CAPABILITIES.—

(1) IN GENERAL.—The President shall impose a majority of the sanctions described in section 106(a) if the President determines that a person, on or after the date of the enactment of this Act, has knowingly exported, transferred, permitted, hosted, or otherwise facilitated transshipment that may have enabled a person to export, transfer, or transship to Iran or otherwise provided to Iran any goods, services, technology, or other items that would contribute materially to the ability of Iran to—

(A) acquire or develop chemical, biological, or nuclear weapons or related technologies; or

(B) acquire or develop destabilizing numbers and types of advanced conventional weapons.

(2) ADDITIONAL MANDATORY SANCTIONS RELATING TO TRANSFER OF NUCLEAR TECHNOLOGY.—

(A) IN GENERAL.—Except as provided in subparagraphs (B) and (C), in any case in which a person is subject to sanctions under

paragraph (1) because of an activity described in that paragraph that relates to the acquisition or development of nuclear weapons or related technology or of missiles or advanced conventional weapons that are designed or modified to deliver a nuclear weapon, no license may be issued for the export, and no approval may be given for the transfer or retransfer, directly or indirectly, to the country the government of which has primary jurisdiction over the person, of any nuclear material, facilities, components, or other goods, services, or technology that are or would be subject to an agreement for cooperation between the United States and that government.

(B) EXCEPTION.—The sanctions described in subparagraph (A) shall not apply with respect to a country the government of which has primary jurisdiction over a person that engages in an activity described in that subparagraph if the President determines and notifies the appropriate congressional committees that the government of the country—

(i) does not know or have reason to know about the activity; or

(ii) has taken, or is taking, all reasonable steps necessary to prevent a recurrence of the activity and to penalize the person for the activity.

(C) INDIVIDUAL APPROVAL.—Notwithstanding subparagraph (A), the President may, on a case-by-case basis, approve the issuance of a license for the export, or approve the transfer or retransfer, of any nuclear material, facilities, components, or other goods, services, or technology that are or would be subject to an agreement for cooperation, to a person in a country to which subparagraph (A) applies (other than a person that is subject to the sanctions under paragraph (1)) if the President—

(i) determines that such approval is vital to the national security interests of the United States; and

(ii) not later than 15 days before issuing such license or approving such transfer or retransfer, submits to the Committee on Foreign Affairs of the House of Representatives and the Committee on Foreign Relations of the Senate the jus-

tification for approving such license, transfer, or retransfer.

(D) CONSTRUCTION.—The restrictions in subparagraph (A) shall apply in addition to all other applicable procedures, requirements, and restrictions contained in the Atomic Energy Act of 1954 and other related laws.

(E) DEFINITION.—In this paragraph, the term "agreement for cooperation" has the meaning given that term in section 11 b. of the Atomic Energy Act of 1954 (42 U.S.C. 2014(b)).

(F) APPLICABILITY.—The sanctions described in subparagraph (A) shall apply only in a case in which a person is subject to sanctions under paragraph (1) because of an activity described in such paragraph in which such person engages on or after the date of the enactment of this Act.

(c) PERSONS AGAINST WHICH THE SANCTIONS ARE TO BE IMPOSED.—The sanctions described in subsections (a) and (b)(1) shall be imposed on—

(1) any person the President determines has carried out the activities described in subsection (a) or (b), respectively; and

(2) any person that—

(A) is a successor entity to the person referred to in paragraph (1);

(B) owns or controls the person referred to in paragraph (1), if the person that owns or controls the person referred to in paragraph (1) had actual knowledge or should have known that the person referred to in paragraph (1) engaged in the activities referred to in that paragraph; or

(C) is owned or controlled by, or under common ownership or control with, the person referred to in paragraph (1), if the person owned or controlled by, or under common ownership or control with (as the case may be), the person referred to in paragraph (1) knowingly engaged in the activities referred to in that paragraph.

For purposes of this title, any person or entity described in this subsection shall be referred to as a "sanctioned person".

(d) PUBLICATION IN FEDERAL REGISTER.—The President shall cause to be published in the Federal Register a current list of persons and entities on whom sanctions have been imposed under this title. The removal of

persons or entities from, and the addition of persons and entities to, the list, shall also be so published.

(e) PUBLICATION OF PROJECTS.—The President shall cause to be published in the Federal Register a list of all significant projects that have been publicly tendered in the oil and gas sector in Iran.

(f) EXCEPTIONS.—The President shall not be required to apply or maintain the sanctions under subsection (a) or (b)—

(1) in the case of procurement of defense articles or defense services—

(A) under existing contracts or subcontracts, including the exercise of options for production quantities to satisfy requirements essential to the national security of the United States;

(B) if the President determines in writing that the person to which the sanctions would otherwise be applied is a sole source supplier of the defense articles or services, that the defense articles or services are essential, and that alternative sources are not readily or reasonably available; or

(C) if the President determines in writing that such articles or services are essential to the

national security under defense coproduction agreements;

(2) in the case of procurement, to eligible products, as defined in section 308(4) of the Trade Agreements Act of 1979 (19 U.S.C. 2518(4)), of any foreign country or instrumentality designated under section 301(b) of that Act (19 U.S.C. 2511(b));

(3) to products, technology, or services provided under contracts entered into before the date on which the President publishes in the Federal Register the name of the person on whom the sanctions are to be imposed;

(4) to—

(A) spare parts which are essential to United States products or production;

(B) component parts, but not finished products, essential to United States products or production; or

(C) routine servicing and maintenance of products, to the extent that alternative sources are not readily or reasonably available;

(5) to information and technology essential to United States products or production; or

(6) to medicines, medical supplies, or other humanitarian items.

SEC. 106. DESCRIPTION OF SANCTIONS.

(a) IN GENERAL.—The sanctions to be imposed on a sanctioned person under section 105 are as follows:

(1) EXPORT-IMPORT BANK ASSISTANCE FOR EXPORTS TO SANCTIONED PERSONS.—The President may direct the Export-Import Bank of the United States to not give approval to for the issuance of any guarantee, insurance, extension of credit, or participation in the extension of credit in connection with the export of any goods or services to any sanctioned person.

(2) EXPORT SANCTION.—Except as provided in subparagraph (B), the President may order the United States Government not to issue any specific license and not to grant any other specific permission or authority to export any goods or technology to a sanctioned person under—

(A) the Export Administration Act of 1979 (as continued in effect pursuant to the International Emergency Economic Powers Act);

(B) the Arms Export Control Act;

(C) the Atomic Energy Act of 1954; or

(D) any other law that requires the prior review and approval of the United States Government as a condition for the export or re-export of goods or services.

(3) LOANS FROM UNITED STATES FINANCIAL INSTITUTIONS.—The United States Government may prohibit any United States financial institution from making loans or providing credits to any sanctioned person totaling more than $10,000,000 in any 12-month period unless such person is engaged in activities to relieve human suffering and the loans or credits are provided for such activities.

(4) PROHIBITIONS ON FINANCIAL INSTITUTIONS.—The following prohibitions may be imposed against a sanctioned person that is a financial institution:

(A) PROHIBITION ON DESIGNATION AS PRIMARY DEALER.—Neither the Board of Governors of the Federal Reserve System nor the Federal Reserve Bank of New York may designate, or permit the continuation of any prior designation of, such financial institution as a primary dealer in United States Government debt instruments.

(B) PROHIBITION ON SERVICE AS A REPOSITORY OF GOVERNMENT FUNDS.—Such financial institution may not serve as agent of the United States Government or serve as repository for United States Government funds.

The imposition of either sanction under subparagraph (A) or (B) shall be treated as one sanction for purposes of section 105, and the imposition of both such sanctions shall be treated as two sanctions for purposes of section 105.

(5) PROCUREMENT SANCTION.—The United States Government may not procure, or enter into any contract for the procurement of, any goods or services from a sanctioned person.

(6) FOREIGN EXCHANGE.—The President may prohibit any transactions in foreign exchange that are subject to the jurisdiction of the United States and in which the sanctioned person has any interest.

(7) BANKING TRANSACTIONS.—The President may prohibit any transfers of credit or payments between financial institutions or by, through, or to any financial institution, to the extent that such transfers or payments are subject to the jurisdiction of the United States and involve any interest of the sanctioned person.

(8) PROPERTY TRANSACTIONS.—The President may prohibit any person from—

(A) acquiring, holding, withholding, using, transferring, withdrawing, transporting, importing, or exporting any property that is subject to the jurisdiction of the United States and with respect to which a sanctioned person has any interest;

(B) dealing in or exercising any right, power, or privilege with respect to such property; or

(C) conducting any transaction involving such property.

(9) GROUNDS FOR EXCLUSION.—The Secretary of State may deny a visa to, and the Secretary of Homeland Security may exclude from the United States, any alien whom the Secretary of State determines is an alien who, on or after the date of the enactment of this Act, is a—

(A) corporate officer, principal, or shareholder with a controlling interest of a person against whom sanctions have been imposed under subsection (a) or (b);

(B) corporate officer, principal, or shareholder with a controlling interest of a successor

entity to or a parent or subsidiary of such a sanctioned person;

(C) corporate officer, principal, or shareholder with a controlling interest of an affiliate of such a sanctioned person, if such affiliate engaged in a sanctionable activity described in subsection (a) or (b) and if such affiliate is controlled in fact by such sanctioned person; or

(D) spouse, minor child, or agent of a person excludable under subparagraph (A), (B), or (C).

(10) SANCTIONS ON PRINCIPAL EXECUTIVE OFFICERS.—The President may impose on the principal executive officer or officers of any sanctioned person, or on persons performing similar functions and with similar authorities as such officer or officers, any of the sanctions under this subsection. The President shall include on the list published under section 105(d) the name of any person against whom sanctions are imposed under this paragraph.

(11) ADDITIONAL SANCTIONS.—The President shall impose sanctions, as appropriate, to restrict imports with respect to a sanctioned person, in accordance with the International Emergency Economic Powers Act (50 U.S.C. 1701 et seq.).

(b) ADDITIONAL MEASURE RELATING TO GOVERNMENT CONTRACTS.—

(1) MODIFICATION OF FEDERAL ACQUISITION REGULATION.—The Federal Acquisition Regulation issued pursuant to section 25 of the Office of Federal Procurement Policy Act (41 U.S.C. 421) shall require a certification from each person that is a prospective contractor that such person does not engage in any activity for which sanctions may be imposed under section 105.

(2) REMEDIES.—

(A) IN GENERAL.—If the head of an executive agency determines that a person has submitted a false certification under paragraph (1) after the date on which the Federal Acquisition Regulation is revised to implement the requirements of this subsection, the head of that executive agency shall terminate a contract with such person or debar or suspend such person from eligibility for Federal contracts for a period of not more than three years. Any such debarment or suspension shall be subject to the procedures that apply to debarment and suspension under the Federal Acquisition Regula-

tion under subpart 9.4 of part 9 of title 48, Code of Federal Regulations.

(B) INCLUSION ON LIST OF PARTIES EXCLUDED FROM FEDERAL PROCUREMENT AND NONPROCUREMENT PROGRAMS.—The Administrator of General Services shall include on the List of Parties Excluded from Federal Procurement and Nonprocurement Programs maintained by the Administrator under part 9 of the Federal Acquisition Regulation issued pursuant to section 25 of the Office of Federal Procurement Policy Act (41 U.S.C. 421) each person that is debarred, suspended, or proposed for debarment or suspension by the head of an executive agency on the basis of a determination of a false certification under subparagraph (A).

(3) CLARIFICATION REGARDING CERTAIN PRODUCTS.—The remedies specified in paragraph (2) shall not apply with respect to the procurement of eligible products, as defined in section 308(4) of the Trade Agreements Act of 1974 (19 U.S.C. 2518(4)), of any foreign country or instrumentality designated under section 301(b) of such Act (19 U.S.C. 2511(b)).

(4) RULE OF CONSTRUCTION.—This subsection shall not be construed to limit the use of other remedies available to the head of an executive agency or any other official of the Federal Government on the basis of a determination of a false certification under paragraph (1).

(5) WAIVER.—The President may, on a case-by-case basis, waive the requirement that a person make a certification under paragraph (1) if the President determines and certifies in writing to the appropriate congressional committees that it is in the national interest of the United States to do so.

(6) EXECUTIVE AGENCY DEFINED.—In this subsection, the term "executive agency" has the meaning given such term in section 104 of the Office of Federal Procurement Policy Act (41 U.S.C. 403).

(7) APPLICABILITY.—The revisions to the Federal Acquisition Regulation required under paragraph (1) shall apply with respect to contracts for which solicitations are issued on or after the date that is 90 days after the date of the enactment of this Act.

SEC. 107. ADVISORY OPINIONS.

The Secretary of State may, upon the request of any person, issue an advisory opinion to such person as to

whether a proposed activity by such person would subject such person to sanctions under this title. Any person who relies in good faith on such an advisory opinion which states that such proposed activity would not subject such person to such sanctions, and any such person who thereafter engages in such activity, shall not be made subject to such sanctions on account of such activity.

SEC. 108. TERMINATION OF SANCTIONS.

(a) CERTIFICATION.—The requirement under section 105 to impose sanctions shall no longer have force or effect with respect to Iran if the President determines and certifies to the appropriate congressional committees that Iran—

(1) has ceased and verifiably dismantled its efforts to design, develop, manufacture, or acquire—

(A) a nuclear explosive device or related materials and technology;

(B) chemical and biological weapons; and

(C) ballistic missiles and ballistic missile launch technology;

(2) no longer provides support for acts of international terrorism; and

(3) poses no threat to the national security, interests, or allies of the United States.

(b) NOTIFICATION.—The President shall notify the appropriate congressional committees not later than 15 days before making the certification described in subsection (a).

SEC. 109. DURATION OF SANCTIONS.

(a) DELAY OF SANCTIONS.—

(1) CONSULTATIONS.—If the President makes a determination described in section 105 with respect to a foreign person, Congress urges the President to initiate consultations immediately with the government with primary jurisdiction over such foreign person with respect to the imposition of sanctions under such section.

(2) ACTIONS BY GOVERNMENT OF JURISDICTION.—In order to pursue consultations under paragraph (1) with the government concerned, the President may delay for up to 90 days the imposition of sanctions under section 105. Following such consultations, the President shall immediately impose on the foreign person referred to in paragraph (1) such sanctions unless the President determines and certifies to Congress that the government has taken specific and effective actions, including, as appropriate, the imposition of appropriate penalties to terminate the involvement of the foreign person in the

activities that resulted in the determination by the President under section 105 concerning such foreign person and the foreign person is no longer engaged in such activities.

(b) DURATION OF SANCTIONS.—A sanction imposed under section 105 shall remain in effect—

(1) for a period of not less than two years beginning on the date on which such sanction is imposed; or

(2) until such time as the President determines and certifies to Congress that the person whose activities were the basis for imposing such sanction is no longer engaging in such activities and that the President has received reliable assurances that such person will not knowingly engage in such activities in the future, except that such sanction shall remain in effect for a period of at least one year.

(c) WAIVER.—

(1) AUTHORIZATION.—

(A) IN GENERAL.—The President may waive the requirements in section 105(a) or 105(b)(2) to impose a sanction or sanctions, and may waive, on a case-by-case basis, the continued imposition of a sanction or sanctions under subsection (b) of this section, if the

President determines and so reports to the appropriate congressional committees 15 days prior to the exercise of waiver authority that failure to exercise such waiver authority would pose an unusual and extraordinary threat to the vital national security interests of the United States.

(B) CONTENTS OF REPORT.—Any report under subparagraph (A) shall provide a specific and detailed rationale for a determination made pursuant to such paragraph, including—

(i) a description of the conduct that resulted in the determination under section 105(a);

(ii) in the case of a foreign person, an explanation of the efforts to secure the cooperation of the government with primary jurisdiction over such person to terminate or, as appropriate, penalize the activities that resulted in the determination under section 105(a);

(iii) an estimate of the significance of the conduct of the person concerned in contributing to the ability of Iran to develop petroleum resources, produce refined

petroleum products, or import refined petroleum products; and

(iv) a statement as to the response of the United States in the event that the person concerned engages in other activities that would be subject to a sanction or sanctions under section 105(a).

(2) WAIVER WITH RESPECT TO PERSONS IN COUNTRIES THAT COOPERATE IN MULTILATERAL EFFORTS WITH RESPECT TO IRAN.—

(A) IN GENERAL.—The President may, on a case by case basis, waive for a period of not more than 12 months the application of section 105(a) with respect to a person if the President, at least 30 days before the waiver is to take effect—

(i) certifies to the appropriate congressional committees that—

(I) the government with primary jurisdiction over the person is closely cooperating with the United States in multilateral efforts to prevent Iran from—

(aa) acquiring or developing chemical, biological, or nuclear

weapons or related technologies; or

(bb) acquiring or developing destabilizing numbers and types of advanced conventional weapons; and

(II) such a waiver is vital to the national security interests of the United States; and

(ii) submits to the appropriate congressional committees a report identifying—

(I) the person with respect to which the President waives the application of sanctions; and

(II) the actions taken by the government described in clause (i)(I) to cooperate in multilateral efforts described in that clause.

(B) SUBSEQUENT RENEWAL OF WAIVER.—At the conclusion of the period of a waiver under subparagraph (A), the President may renew the waiver—

(i) if the President determines, in accordance with subparagraph (A) that the waiver is appropriate; and

(ii) for subsequent periods of not more than 12 months each.

SEC. 110. REPORTS REQUIRED.

(a) REPORT ON CERTAIN INTERNATIONAL INITIATIVES.—Not later than 180 days after the date of the enactment of this Act and every 180 days thereafter, the President shall transmit to the appropriate congressional committees a report describing—

(1) the efforts of the President to mount a multilateral campaign to persuade all countries to pressure Iran to cease its nuclear, chemical, biological, and missile weapons programs and its support of acts of international terrorism;

(2) the efforts of the President to persuade other governments to ask Iran to reduce in the countries of such governments the presence of Iranian diplomats and representatives of other government and military or quasi-governmental institutions of Iran, and to withdraw any such diplomats or representatives who participated in the takeover of the United States Embassy in Tehran, Iran, on Novem-

ber 4, 1979, or the subsequent holding of United States hostages for 444 days;

(3) the extent to which the International Atomic Energy Agency has established regular inspections of all nuclear facilities in Iran, including those facilities presently under construction; and

(4) Iran's use of Iranian diplomats and representatives of other government and military or quasi-governmental institutions of Iran to promote acts of international terrorism or to develop or sustain Iran's nuclear, chemical, biological, or missile weapons programs.

(b) REPORT ON EFFECTIVENESS OF ACTIONS UNDER THIS ACT.—Not later than 180 days after the date of the enactment of this Act and annually thereafter, the President shall transmit to Congress a report that describes—

(1) the extent to which actions relating to trade taken pursuant to this title have—

(A) been effective in achieving the policy objective described in section 103 and any other foreign policy or national security objectives of the United States with respect to Iran; and

(B) affected humanitarian interests in Iran, the country in which a sanctioned person is located, or in other countries; and

(2) the impact of actions relating to trade taken pursuant to this title on other national security, economic, and foreign policy interests of the United States, including relations with countries friendly to the United States, and on the United States economy.

The President may include in such reports the President's recommendation on whether or not this Act should be terminated or modified.

(c) OTHER REPORTS.—The President shall ensure the continued transmittal to Congress of reports describing—

(1) the nuclear and other military capabilities of Iran, as required under section 601(a) of the Nuclear Non-Proliferation Act of 1978 and section 1607 of the National Defense Authorization Act for Fiscal Year 1993; and

(2) the support provided by Iran for acts of international terrorism, as part of the Department of State's annual reports on international terrorism.

(d) REPORTS ON GLOBAL TRADE RELATING TO IRAN.—Not later than 180 days after the date of the en-

actment of the this Act and annually thereafter, the President shall transmit to the appropriate congressional committees a report, with respect to the most recent 12-month period for which data are available, on the dollar value amount of trade, including in the energy sector, between Iran and each country maintaining membership in the Group of 20 Finance Ministers and Central Bank Governors.

SEC. 111. DETERMINATIONS NOT REVIEWABLE.

A determination to impose sanctions under this title shall not be reviewable in any court.

SEC. 112. EXCLUSION OF CERTAIN ACTIVITIES.

Nothing in this title shall apply to any activities subject to the reporting requirements of title V of the National Security Act of 1947.

SEC. 113. DEFINITIONS.

In this title:

(1) ACT OF INTERNATIONAL TERRORISM.—The term "act of international terrorism" has the meaning given such term in section 2331 of title 18, United States Code.

(2) APPROPRIATE CONGRESSIONAL COMMITTEES.—The term "appropriate congressional committees" means—

(A) the Committee on Finance, the Committee on Banking, Housing, and Urban Affairs, and the Committee on Foreign Relations of the Senate; and

(B) the Committee on Ways and Means, the Committee on Banking and Financial Services, the Committee on Financial Services, and the Committee on Foreign Affairs of the House of Representatives.

(3) COMPONENT PART.—The term "component part" has the meaning given such term in section 11A(e)(1) of the Export Administration Act of 1979 (50 U.S.C. App. 2410a(e)(1)).

(4) CREDIBLE INFORMATION.—The term "credible information" means, with respect to a person, such person's public announcement of an investment described in section 105, Iranian governmental announcements of such an investment, reports to stockholders, annual reports, industry reports, Government Accountability Office products, and trade publications.

(5) DEVELOP AND DEVELOPMENT.—The terms "develop" and "development" mean the exploration for, or the extraction, refining, or transportation by pipeline of, petroleum resources.

(6) FINANCIAL INSTITUTION.—The term "financial institution" includes—

(A) a depository institution (as defined in section 3(c)(1) of the Federal Deposit Insurance Act), including a branch or agency of a foreign bank (as defined in section 1(b)(7) of the International Banking Act of 1978);

(B) a credit union;

(C) a securities firm, including a broker or dealer;

(D) an insurance company, including an agency or underwriter; and

(E) any other company that provides financial services including joint ventures with Iranian entities both inside and outside of Iran and partnerships or investments with Iranian government-controlled entities or affiliated entities.

(7) FINISHED PRODUCT.—The term "finished product" has the meaning given such term in section 11A(e)(2) of the Export Administration Act of 1979 (50 U.S.C. App. 2410a(e)(2)).

(8) FOREIGN PERSON.—The term "foreign person" means—

(A) an individual who is not a United States person or an alien lawfully admitted for permanent residence into the United States; or

(B) a corporation, partnership, joint venture, cooperative venture, or other nongovernmental entity which is not a United States person.

(9) FOREIGN TERRORIST ORGANIZATION.—The term "foreign terrorist organization" means an organization designated by the Secretary of State as a foreign terrorist organization in accordance with section 219(a) of the Immigration and Nationality Act (8 U.S.C. 1189(a)).

(10) GOODS AND TECHNOLOGY.—The terms "goods" and "technology" have the meanings given such terms in section 16 of the Export Administration Act of 1979 (50 U.S.C. App. 2415).

(11) INVESTMENT.—The term "investment" means any of the following activities if any of such activities is undertaken pursuant to an agreement, or pursuant to the exercise of rights under such an agreement, that is entered into with the Government of Iran or a nongovernmental entity in Iran, on or after the date of the enactment of this Act:

(A) The entry into a contract that includes responsibility for the development of petroleum resources located in Iran, or the entry into a contract providing for the general supervision and guarantee of another person's performance of such a contract.

(B) The purchase of a share of ownership, including an equity interest, in the development described in subparagraph (A).

(C) The entry into a contract providing for the participation in royalties, earnings, or profits in the development described in subparagraph (A), without regard to the form of such participation.

(D) The provision of goods, services, or technology related to petroleum resources.

(12) IRAN.—The term "Iran" includes any agency or instrumentality of Iran.

(13) IRANIAN DIPLOMATS AND REPRESENTATIVES OF OTHER GOVERNMENT AND MILITARY OR QUASI-GOVERNMENTAL INSTITUTIONS OF IRAN.—The term "Iranian diplomats and representatives of other government and military or quasi-governmental institutions of Iran" includes employees, representatives, or affiliates of Iran's—

(A) Foreign Ministry;

(B) Ministry of Intelligence and Security;

(C) Revolutionary Guard Corps and affiliated entities;

(D) Crusade for Reconstruction;

(E) Qods (Jerusalem) Forces;

(F) Interior Ministry;

(G) Foundation for the Oppressed and Disabled;

(H) Prophet's Foundation;

(I) June 5th Foundation;

(J) Martyr's Foundation;

(K) Islamic Propagation Organization; and

(L) Ministry of Islamic Guidance.

(14) KNOWINGLY.—The term "knowingly", with respect to conduct, a circumstance, or a result means that a person has actual knowledge, or should have known, of the conduct, the circumstance, or the result of such conduct, circumstance, or result.

(15) NUCLEAR EXPLOSIVE DEVICE.—The term "nuclear explosive device" means any device, whether assembled or disassembled, that is designed to produce an instantaneous release of an amount of nuclear energy from special nuclear material (as defined in section 11 aa. of the Atomic Energy Act of

1954 (42 U.S.C. 2014 aa.)) that is greater than the amount of energy that would be released from the detonation of one pound of trinitrotoluene (TNT).

(16) PERSON.—

(A) IN GENERAL.—The term "person" means—

(i) a natural person;

(ii) a corporation, business association, partnership, society, trust, financial institution, insurer, underwriter, guarantor, or any other business organization, any other nongovernmental entity, organization, or group, and any governmental entity operating as a business enterprise; and

(iii) any successor to any entity described in clause (ii).

(B) EXCLUSION.—The term "person" does not include a government or governmental entity that is not operating as a business enterprise.

(17) PETROLEUM RESOURCES.—The term "petroleum resources" includes petroleum and natural gas resources, refined petroleum products, oil or liquefied natural gas, oil or liquefied natural gas tankers, and products used to construct or maintain

pipelines used to transport oil or liquefied natural gas.

(18) REFINED PETROLEUM PRODUCTS.—The term "refined petroleum products" means diesel, gasoline, jet fuel (including naphtha-type and kerosene-type jet fuel), and aviation gasoline.

(19) UNITED STATES OR STATE.—The terms "United States" and "State" mean the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, American Samoa, Guam, the United States Virgin Islands, and any other territory or possession of the United States.

(20) UNITED STATES PERSON.—The term "United States person" means—

(A) a natural person who is a citizen of the United States or who owes permanent allegiance to the United States; and

(B) a corporation or other legal entity that is organized under the laws of the United States or any State if a natural person described in subparagraph (A) owns, directly or indirectly, more than 50 percent of the outstanding capital stock or other beneficial interest in such corporation or legal entity.

SEC. 114. EFFECTIVE DATE.

This title shall take effect on the date of the enactment of this Act and shall apply with respect to an investment or activity described in subsection (a) or (b) of section 105 that is commenced on or after such date of enactment.

SEC. 115. REPEAL.

(a) IN GENERAL.—The Iran Sanctions Act of 1996 (50 U.S.C. 1701 note) is repealed.

(b) FEDERAL ACQUISITION REGULATION.—Notwithstanding the repeal made by subsection (a), the modification to the Federal Acquisition Regulation made pursuant to section 6(b)(1) of the Iran Sanctions Act of 1996 shall continue in effect until the modification to such Regulation that is made pursuant to section 106(b)(1) of this Act takes effect.

TITLE II—IRAN FREEDOM SUPPORT

SEC. 201. CODIFICATION OF SANCTIONS.

United States sanctions with respect to Iran imposed pursuant to sections 1 and 3 of Executive Order 12957, sections 1(e), (1)(g), and (3) of Executive Order 12959, sections 2, 3, and 5 of Executive Order 13059 (relating to exports and certain other transactions with Iran), and sections 1, 5, 6, 7, and 8 of Executive Order 13553, as in effect on January 1, 2011, shall remain in effect until

the President certifies to the appropriate congressional committees, at least 90 days before the removal of such sanctions, that the Government of Iran has verifiably dismantled its nuclear weapons program, its biological and chemical weapons programs, its ballistic missile development programs, and ceased its support for international terrorism.

SEC. 202. DECLARATION OF CONGRESS REGARDING UNITED STATES POLICY TOWARD IRAN.

It shall be the policy of the United States to support those individuals in Iran seeking a free, democratic government that respects the rule of law and protects the rights of all citizens.

SEC. 203. ASSISTANCE TO SUPPORT DEMOCRACY IN IRAN.

(a) STATEMENT OF POLICY.—The President is authorized to provide financial and political assistance (including the award of grants) to foreign and domestic individuals, organizations, and entities that support democracy and the promotion of democracy in Iran. Such assistance may include the award of grants to eligible independent pro-democracy broadcasting organizations and new media that broadcast into Iran.

(b) ELIGIBILITY FOR ASSISTANCE.—Financial and political assistance authorized under this section shall be

provided only to an individual, organization, or entity that—

(1) officially opposes the use of violence and terrorism and has not been designated as a foreign terrorist organization under section 219(a) of the Immigration and Nationality Act (8 U.S.C. 1189(a)) at any time during the preceding four years;

(2) advocates the adherence by Iran to nonproliferation regimes for nuclear, chemical, and biological weapons and materiel;

(3) is dedicated to democratic values and supports the adoption of a democratic form of government in Iran;

(4) is dedicated to respect for human rights, including the fundamental equality of women;

(5) works to establish equality of opportunity for all people; and

(6) supports freedom of the press, freedom of speech, freedom of association, and freedom of religion.

(c) FUNDING.—Financial and political assistance authorized under this section may only be provided using—

(1) funds available to the Middle East Partnership Initiative (MEPI), the Broader Middle East and North Africa Initiative, the Human Rights and

Democracy Fund, and the Near East Regional Democracy Fund; and

(2) amounts made available pursuant to the authorization of appropriations under subsection (f).

(d) NOTIFICATION.—Not later than 15 days before each obligation of assistance under this section, and in accordance with the procedures under section 634A of the Foreign Assistance Act of 1961 (22 U.S.C. 2394–l), the President shall notify the Committee on Foreign Affairs and the Committee on Appropriations of the House of Representatives and the Committee on Foreign Relations and the Committee on Appropriations of the Senate of such obligation of assistance. Such notification shall include, as practicable, a description of the types of programs supported by such assistance and an identification of the recipients of such assistance.

(e) SENSE OF CONGRESS REGARDING DIPLOMATIC ASSISTANCE.—It is the sense of Congress that—

(1) contacts should be expanded with opposition groups in Iran that meet the criteria for eligibility for assistance under subsection (b);

(2) support for those individuals seeking democracy in Iran should be expressed by United States representatives and officials in all appropriate international fora; and

(3) officials and representatives of the United States should—

(A) strongly and unequivocally support indigenous efforts in Iran calling for free, transparent, and democratic elections; and

(B) draw international attention to violations by the Government of Iran of human rights, freedom of religion, freedom of assembly, and freedom of the press.

SEC. 204. IMPOSITION OF SANCTIONS ON CERTAIN PERSONS WHO ARE RESPONSIBLE FOR OR COMPLICIT IN HUMAN RIGHTS ABUSES COMMITTED AGAINST CITIZENS OF IRAN OR THEIR FAMILY MEMBERS AFTER THE JUNE 12, 2009, ELECTIONS IN IRAN.

(a) LIST OF PERSONS WHO ARE RESPONSIBLE FOR OR COMPLICIT IN CERTAIN HUMAN RIGHTS ABUSES; SANCTIONS ON SUCH PERSONS.—

(1) IN GENERAL.—Not later than 90 days after the date of the enactment of this Act, the President shall transmit to the appropriate congressional committees a list of all persons who are officials of the Government of Iran, including the Supreme Leader, the President, Members of the Cabinet, Members of the Assembly of Experts, Members of the Ministry

of Intelligence Services, or any Member of the Iranian Revolutionary Guard Corps with the rank of brigadier general and above, including members of paramilitary organizations such as Ansar-e-Hezbollah and Basij-e Mostaz'afin.

(2) CERTIFICATION.—The President shall impose on the persons specified in the list under paragraph (1) the sanctions described in subsection (b). The President shall exempt any such person from such imposition if the President determines and certifies to the appropriate congressional committees that such person, based on credible evidence, is not responsible for or complicit in, or responsible for ordering, controlling, or otherwise directing, the commission of serious human rights abuses against citizens of Iran or their family members on or after June 12, 2009, regardless of whether such abuses occurred in Iran.

(3) UPDATES OF LIST.—The President shall transmit to the appropriate congressional committees an updated list under paragraph (1)—

(A) not later than every 60 days beginning after the date of the initial transmittal under such paragraph; and

(B) as new information becomes available.

(4) FORM OF REPORT; PUBLIC AVAILABILITY.—

(A) FORM.—The list required under paragraph (1) shall be submitted in unclassified form but may contain a classified annex.

(B) PUBLIC AVAILABILITY.—The unclassified portion of the list required under paragraph (1) shall be made available to the public and posted on the Web sites of the Department of the Treasury and the Department of State.

(5) CONSIDERATION OF DATA FROM OTHER COUNTRIES AND NONGOVERNMENTAL ORGANIZATIONS.—In preparing the list required under paragraph (1), the President shall consider credible data already obtained by other countries and nongovernmental organizations, including organizations in Iran, that monitor the human rights abuses of the Government of Iran.

(b) SANCTIONS DESCRIBED.—The sanctions described in this subsection are ineligibility for a visa to enter the United States and sanctions pursuant to the International Emergency Economic Powers Act (50 U.S.C. 1701 et seq.), including blocking of property and restrictions or prohibitions on financial transactions and the exportation and importation of property, subject to such regulations as the President may prescribe, including

regulatory exceptions to permit the United States to comply with the Agreement between the United Nations and the United States of America regarding the Headquarters of the United Nations, signed June 26, 1947, and entered into force November 21, 1947, and other applicable international obligations.

(c) TERMINATION OF SANCTIONS.—The provisions of this section shall terminate on the date on which the President determines and certifies to the appropriate congressional committees that the Government of Iran has—

(1) unconditionally released all political prisoners, including the citizens of Iran detained in the aftermath of the June 12, 2009, presidential election in Iran;

(2) ceased its practices of violence, unlawful detention, torture, and abuse of citizens of Iran while engaging in peaceful political activity;

(3) conducted a transparent investigation into the killings, arrests, and abuse of peaceful political activists that occurred in the aftermath of the June 12, 2009, presidential election in Iran and prosecuted the individuals responsible for such killings, arrests, and abuse; and

(4) has—

(A) established an independent judiciary; and

(B) is respecting the human rights and basic freedoms recognized in the Universal Declaration of Human Rights.

SEC. 205. COMPREHENSIVE STRATEGY TO PROMOTE INTERNET FREEDOM AND ACCESS TO INFORMATION IN IRAN.

(a) IN GENERAL.—Not later than 90 days after the date of the enactment of this Act and annually thereafter, the Secretary of State shall submit to the Committees on Foreign Affairs and Appropriations of the House of Representatives and the Committees on Foreign Relations and Appropriations of the Senate a comprehensive strategy to—

(1) help the people of Iran produce, access, and share information freely and safely via the Internet, including in Farsi and regional languages;

(2) support the development of counter-censorship technologies that enable the citizens of Iran to undertake Internet activities without interference from the Government of Iran;

(3) increase the capabilities and availability of secure mobile communications among human rights and democracy activists in Iran;

(4) provide resources for digital safety training for media, unions, and academic and civil society organizations in Iran;

(5) increase the amount of accurate Internet content in local languages in Iran;

(6) increase emergency resources for the most vulnerable human rights advocates seeking to organize, share information, and support human rights in Iran;

(7) expand surrogate radio, television, live stream, and social network communications inside Iran;

(8) expand activities to safely assist and train human rights, civil society, and union activists in Iran to operate effectively and securely;

(9) defeat all attempts by the Government of Iran to jam or otherwise deny international satellite broadcasting signals; and

(10) expand worldwide United States embassy and consulate programming for and outreach to Iranian dissident communities.

(b) FORM.—The comprehensive strategies required under subsection (a) shall be in unclassified form and may include a classified annex.

TITLE III—IRAN REGIME AND IRAN REVOLUTIONARY GUARD CORPS ACCOUNTABILITY

SEC. 301. EXPORTATION OF PETROLEUM, OIL, AND NATURAL GAS PRODUCED BY IRAN'S ISLAMIC REVOLUTIONARY GUARD CORPS OR ITS AFFILIATES.

(a) IN GENERAL.—Except as provided in subsection (c), the President shall impose the sanctions described in section 106(a) with respect to a person if the President determines that such person knowingly, on or after the date of the enactment of the Iran Threat Reduction Act of 2011, provides any service described in subsection (b) with respect to the exportation of petroleum, oil, or liquefied natural gas to be refined or otherwise processed outside of Iran if—

(1) Iran's Islamic Revolutionary Guard Corps or any of its affiliates was directly and significantly involved in the development, extraction, production, transportation, or sale of such petroleum, oil, or liquefied natural gas in Iran; and

(2)(A) the fair market value of such petroleum, oil, or liquefied natural gas is $1,000,000 or more; or

(B) during a 12-month period, the aggregate fair market value of such petroleum, oil, or liquefied natural gas is $5,000,000 or more.

(b) SERVICES DESCRIBED.—The services referred to in subsection (a) are—

(1) refining or otherwise processing petroleum, oil, or liquefied natural gas;

(2) the provision of ships or shipping services; or

(3) financing, brokering, underwriting, or providing insurance or reinsurance.

(c) EXCEPTION FOR UNDERWRITERS AND INSURANCE PROVIDERS EXERCISING DUE DILIGENCE.—The President may not impose sanctions under this paragraph with respect to a person that provides underwriting services or insurance or reinsurance if the President determines that such person has exercised due diligence in establishing and enforcing official policies, procedures, and controls to ensure that such person does not underwrite or enter into a contract to provide insurance or reinsurance with respect to the exportation of petroleum, oil, or liquefied natural gas in violation of subsection (a).

SEC. 302. IRANIAN ACTIVITIES IN IRAQ AND AFGHANISTAN.

(a) FREEZING OF ASSETS.—In accordance with subsection (b), all property and interests in property of the

foreign persons described in Executive Orders 13382 and 13224, or their affiliates, that are in the United States, that on or after the date of the enactment of this Act come within the United States, or that on or after the date of the enactment of this Act come within the possession or control of United States persons, are blocked and may not be transferred, paid, exported, withdrawn, or otherwise dealt in with respect to any such person determined by the Secretary of State, in consultation with the Secretary of the Treasury and the Secretary of Defense to—

(1) have committed, or to pose a significant risk of committing, an act or acts of violence that have the purpose or effect of—

(A) threatening the peace or stability of Iraq or the Government of Iraq;

(B) undermining efforts to promote economic reconstruction and political reform in Iraq or to provide humanitarian assistance to the Iraqi people;

(C) threatening the peace or stability of Afghanistan or the Government of Afghanistan; or

(D) undermining efforts to promote economic reconstruction and political reform in Af-

ghanistan or to provide humanitarian assistance to the Afghan people;

(2) have materially assisted, sponsored, or provided financial, material, logistical, or technical support for, or goods or services in support of, such an act or acts of violence or any person or entity whose property and interests in property are blocked pursuant this subsection; or

(3) be owned or controlled by, or to have acted or purported to act for or on behalf of, directly or indirectly, any person whose property and interests in property are blocked pursuant to this subsection.

(b) DESCRIPTION OF PROHIBITIONS.—The prohibitions described in subsection (a) include—

(1) the making of any contribution or provision of funds, goods, or services by, to, or for the benefit of any person whose property and interests in property are blocked; and

(2) the receipt of any contribution or provision of funds, goods, or services from any such person.

(c) STATEMENT OF POLICY.—An increase in both the quantity and quality of Iranian arms shipments and technological expertise to the Iraqi insurgents, the Taliban, other terrorist organizations, and criminal elements has the potential to significantly change the battlefield in both

Iraq and Afghanistan, and lead to a large increase in United States, International Security Assistance Force, Coalition, and Iraqi and Afghan casualties.

SEC. 303. UNITED STATES POLICY TOWARD IRAN.

(a) NATIONAL STRATEGY REQUIRED.—The President shall develop a strategy, to be known as the "National Strategy to Counter Iran" that provides strategic guidance for activities that support the objective of addressing, countering, and containing the threats posed by Iran.

(b) ANNUAL REPORT.—

(1) IN GENERAL.—Not later than January 30 of each year, the President shall transmit to the appropriate congressional committees in Congress a report on the current and future strategy of the United States toward Iran, and the implementation of the National Strategy to Counter Iran required under subsection (a).

(2) FORM.—If the President considers it appropriate, the report required under this subsection, or appropriate parts thereof, may be transmitted in classified form.

(c) MATTERS TO BE INCLUDED.—The report required under subsection (b) shall include a description of

the security posture and objectives of Iran, including at least the following:

(1) A description and assessment of Iranian grand strategy and security strategy, including—

(A) the goals of Iran's grand strategy and security strategy, and strategic objectives; and

(B) Iranian strategy to achieve such objectives in the Middle East, Europe, Africa, Western Hemisphere, and Asia.

(2) An assessment of the capabilities of Iran's conventional forces and Iran's unconventional forces, including—

(A) the size and capabilities of Iran's conventional forces and Iran's unconventional forces;

(B) an analysis of the formal and informal national command authority for Iran's conventional forces and Iran's unconventional forces;

(C) the size and capability of Iranian foreign and domestic intelligence and special operations units, including the Iranian Revolutionary Guard Corps-Quds Force;

(D) a description and analysis of Iranian military doctrine;

(E) the types and amount of support, including funding, lethal and nonlethal supplies, and training, provided to groups designated by the United States as foreign terrorist organizations and regional militant groups; and

(F) an estimate of the levels of funding and funding and procurement sources by Iran to develop and support Iran's conventional forces and Iran's unconventional forces.

(3) An assessment of Iranian strategy and capabilities related to nuclear, unconventional, and missile forces development, including—

(A) a summary and analysis of nuclear weapons capabilities;

(B) an estimate of the amount and sources of funding expended by, and an analysis of procurement networks utilized by, Iran to develop its nuclear weapons capabilities;

(C) a summary of the capabilities of Iran's unconventional weapons and Iran's ballistic missile forces and Iran's cruise missile forces, including developments in the preceding year, the size of Iran's ballistic missile forces and Iran's cruise missile forces, and the locations of missile launch sites;

(D) a detailed analysis of the effectiveness of Iran's unconventional weapons and Iran's ballistic missile forces and Iran's cruise missile forces; and

(E) an estimate of the amount and sources of funding expended by, and an analysis of procurement networks utilized by, Iran on programs to develop a capability to develop unconventional weapons and Iran's ballistic missile forces and Iran's cruise missile forces.

(4) The Government of Iran's economic strategy, including—

(A) sources of funding for the activities of the Government of Iran described in this section;

(B) the role of the Government of Iran in the formal and informal sector of the domestic Iranian economy;

(C) evasive and other efforts by the Government of Iran to circumvent international and bilateral sanctions regimes;

(D) the effect of bilateral and multilateral sanctions on the ability of Iran to implement its grand strategy and security strategy described in paragraph (1); and

(E) Iran's strategy and efforts to leverage economic and political influence, cooperation, and activities in the Middle East Europe, Africa, Western Hemisphere, and Asia.

(5) Key vulnerabilities identified in paragraph (1), and an implementation plan for the National Strategy to Counter Iran required under subsection (a).

(d) CLASSIFIED ANNEX.—The reports required under subsection (b) shall be in unclassified form to the greatest extent possible, and may include a classified annex where necessary.

SEC. 304. DEFINITIONS.

In this title:

(1) APPROPRIATE CONGRESSIONAL COMMITTEES.—The term "appropriate congressional committees" means—

(A) the Committee on Foreign Affairs, the Committee on Armed Services, the Committee on Appropriations, and the Permanent Select Committee on Intelligence of the House of Representatives; and

(B) the Committee on Foreign Relations, the Committee on Armed Services, the Com-

mittee on Appropriations, and the Permanent Select Committee on Intelligence of the Senate.

(2) IRAN'S BALLISTIC MISSILE FORCES.—The term "Iran's ballistic missile forces" means those elements of the Government of Iran that employ ballistic missiles.

(3) IRAN'S BALLISTIC MISSILE AND UNCONVENTIONAL WEAPONS.—The term "Iran's ballistic missile and unconventional weapons" means Iran's ballistic missile forces and chemical, biological, and radiological weapons programs.

(4) IRAN'S CRUISE MISSILE FORCES.—The term "Iran's cruise missile forces" means those elements of the Government of Iran that employ cruise missiles capable of flights less than 500 kilometers.

(5) IRAN'S CONVENTIONAL FORCES.—The term "Iran's conventional forces"—

(A) means military forces of Iran designed to conduct operations on sea, air, or land, other than Iran's unconventional forces and Iran's ballistic missile forces and Iran's cruise missile forces; and

(B) includes Iran's Army, Air Force, Navy, domestic law enforcement, and elements of the Iranian Revolutionary Guard Corps, other than

the Iranian Revolutionary Guard Corps Quds Force.

(6) IRAN'S UNCONVENTIONAL FORCES.—The term "Iran's unconventional forces"—

(A) means forces of Iran that carry out missions typically associated with special operations forces; and

(B) includes—

(i) the Iranian Revolutionary Guard Corps-Quds Force;

(ii) paramilitary organizations;

(iii) formal and informal intelligence agencies and entities; and

(iv) any organization that—

(I) has been designated as a foreign terrorist organization under section 219(a) of the Immigration and Nationality Act (8 U.S.C. 1189(a));

(II) receives assistance from Iran; and

(III) is assessed—

(aa) as being willing in some or all cases of carrying out attacks on behalf of Iran; or

(bb) as likely to carry out attacks in response to an attack by another country on Iran or its interests.

TITLE IV—IRAN FINANCIAL SANCTIONS; DIVESTMENT FROM CERTAIN COMPANIES THAT INVEST IN IRAN; AND PREVENTION OF DIVERSION OF CERTAIN GOODS, SERVICES, AND TECHNOLOGIES TO IRAN

SEC. 401. IRAN FINANCIAL SANCTIONS.

(a) FINANCIAL INSTITUTION CERTIFICATION.—Section 104(e) of the Comprehensive Iran Sanctions, Accountability, and Divestment Act of 2010 (Public Law 111–195; 22 U.S.C. 8513(e)) is amended by adding at the end the following new paragraph:

"(3) CERTIFICATION.—Not later than 90 days after the date of the enactment of this paragraph, the Secretary of the Treasury shall prescribe regulations to require any person owned or controlled by a domestic financial institution to provide positive certification to the Secretary that such person is not engaged in corresponding relations or business activ-

ity with a foreign person or financial institution that facilitates transactions from persons and domestic financial institutions described in subsection (d).".

(b) REPORT ON THE ACTIVITIES OF THE CENTRAL BANK OF IRAN.—Section 104 of the Comprehensive Iran Sanctions, Accountability, and Divestment Act of 2010 is amended—

(1) by redesignating subsection (i) as subsection (j); and

(2) by inserting after subsection (h) the following new subsection:

"(i) REPORT ON THE ACTIVITIES OF THE CENTRAL BANK OF IRAN.—

"(1) IN GENERAL.—Not later than 90 days after the date of the enactment of this subsection and annually thereafter, the Secretary of State, in consultation with the Secretary of the Treasury, shall submit to Congress a report on how the activities of the Central Bank of Iran facilitate Iran's efforts to acquire nuclear weapons capabilities, unconventional weapons and ballistic and cruise missile development, and activities as a designated state sponsor of terrorism.

"(2) FORM.—The reports required under this subsection shall be submitted in unclassified form and may contain a classified annex.".

(c) CONTINUATION IN EFFECT.—Sections 104, 106, 107, 108, 109, 110, 111, and 115 of the Comprehensive Iran Sanctions, Accountability, and Divestment Act of 2010 shall remain in effect until the President makes the certification described in section 602 of this Act.

SEC. 402. DIVESTMENT FROM CERTAIN COMPANIES THAT INVEST IN IRAN.

Title II of the Comprehensive Iran Sanctions, Accountability, and Divestment Act of 2010 shall remain in effect until the President makes the certification described in section 602 of this Act.

SEC. 403. PREVENTION OF DIVERSION OF CERTAIN GOODS, SERVICES, AND TECHNOLOGIES TO IRAN.

Title III of the Comprehensive Iran Sanctions, Accountability, and Divestment Act of 2010 shall remain in effect until the President makes the certification described in section 602 of this Act.

TITLE V—SECURITIES AND EXCHANGE COMMISSION

SEC. 501. DISCLOSURES TO THE SECURITIES AND EXCHANGE COMMISSION RELATING TO SANCTIONABLE ACTIVITIES.

(a) IN GENERAL.—Section 13 of the Securities Exchange Act of 1934 (15 U.S.C. 78m) is amended by adding at the end the following new subsection:

"(r) DISCLOSURE OF CERTAIN ACTIVITIES RELATING TO IRAN, TERRORISM, AND THE PROLIFERATION OF WEAPONS OF MASS DESTRUCTION.—

"(1) GENERAL DISCLOSURE REQUIRED.—Each issuer required to file an annual or quarterly report under subsection (a) shall include with such report a statement of whether, during the period since the issuer made the last such report, the issuer or any affiliate of the issuer—

"(A) engaged in an activity described in section 5 of the Iran Sanctions Act of 1996 (Public Law 104–172; 50 U.S.C. 1701 note);

"(B) knowingly engaged in an activity described in subsection (c)(2) of section 104 of the Comprehensive Iran Sanctions, Accountability, and Divestment Act of 2010 (Public Law 111–195; 22 U.S.C. 8513) or knowingly

violated regulations prescribed under subsection (d)(1) or (e)(1) of such section 104; or

"(C) knowingly conducted any transaction or dealing with—

"(i) any person the property and interests in property of which are blocked pursuant to Executive Order 13224 (66 Fed. Reg. 49079; relating to blocking property and prohibiting transacting with persons who commit, threaten to commit, or support terrorism);

"(ii) any person the property and interests in property of which are blocked pursuant to Executive Order 13382 (70 Fed. Reg. 38567; relating to blocking of property of weapons of mass destruction proliferators and their supporters); or

"(iii) any person on the list contained in Appendix A to part 560 of title 31, Code of Federal Regulations (commonly known as the 'Iranian Transactions Regulations').

"(2) SPECIFIC DISCLOSURE REQUIRED.—If an issuer reports under paragraph (1) that the issuer or an affiliate of the issuer has engaged in any activity

described in that paragraph, the issuer shall include with the statement required under that paragraph a detailed description of each such activity, including—

"(A) the nature and extent of the activity;

"(B) the revenues and profits, if any, attributable to the activity; and

"(C) whether the issuer or the affiliate of the issuer (as the case may be) intends to continue the activity.

"(3) INVESTIGATION OF DISCLOSURES.—When the Commission receives a report under paragraph (1) from an issuer that the issuer or an affiliate of the issuer has engaged in any activity described in that paragraph, the President shall—

"(A) initiate an investigation into the possible imposition of sanctions under the Iran Sanctions Act of 1996 (Public Law 104–172; 50 U.S.C. 1701 note), section 104 of the Comprehensive Iran Sanctions, Accountability, and Divestment Act of 2010 (22 U.S.C. 8513), the Executive Orders or regulations specified in paragraph (1)(C), or any other provision of law; and

"(B) not later than 180 days after initiating such an investigation, make a determination with respect to whether sanctions should be imposed with respect to the issuer or the affiliate of the issuer (as the case may be).

"(4) PUBLIC DISCLOSURE OF INFORMATION.—The Commission shall promptly—

"(A) make the information provided to the Commission under paragraphs (1) and (2) available to the public by posting the information on the Internet Web site of the Commission; and

"(B) provide a copy of that information to—

"(i) the President;

"(ii) the Committee on Foreign Affairs and the Committee on Financial Services of the House of Representatives; and

"(iii) the Committee on Foreign Relations and the Committee on Banking, Housing, and Urban Affairs of the Senate.

"(5) SUNSET.—The provisions of this subsection shall terminate on the date that is 30 days after the date on which the President makes the cer-

tification described in section 401(a) of the Comprehensive Iran Sanctions, Accountability, and Divestment Act of 2010 (22 U.S.C. 8551(a)).".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect with respect to reports required to be filed with the Securities and Exchange Commission after the date that is 90 days after the date of the enactment of this Act.

TITLE VI—GENERAL PROVISIONS

SEC. 601. DENIAL OF VISAS FOR CERTAIN PERSONS OF THE GOVERNMENT OF IRAN.

(a) IN GENERAL.—Except as necessary to meet United States obligations under the Agreement between the United Nations and the United States of America regarding the Headquarters of the United Nations, signed June 26, 1947, and entered into force November 21, 1947, and other applicable international treaty obligations, the Secretary of State shall deny a visa to and the Secretary of Homeland Security shall exclude from the United States a person of the Government of Iran pursuant to section 6(j)(1)(A) of the Export Administration Act of 1979 (as in effect pursuant to the International Emergency Economic Powers Act; 50 U.S.C. 1701 et seq.), section 40(d) of the Arms Export Control Act (22 U.S.C.

2780(d)), and section 620A of the Foreign Assistance Act of 1961 (22 U.S.C. 2371) if the Secretary determines that such person—

(1) is an agent, instrumentality, or official of, is affiliated with, or is serving as a representative of the Government of Iran; and

(2) presents a threat to the United States or is directly or indirectly affiliated with terrorist organizations.

(b) RESTRICTION ON MOVEMENT.—The Secretary of State shall restrict in Washington, DC, and at the United Nations in New York City, the travel to only within a 25-mile radius of Washington, DC, or the United Nations headquarters building, respectively, of any person identified in subsection (a).

SEC. 602. SUNSET.

(a) SUNSET.—The provisions of this Act shall terminate, and shall cease to be effective, on the date that is 30 days after the date on which the President certifies to Congress that Iran—

(1) has ceased and verifiably dismantled its efforts to design, develop, manufacture, or acquire—

(A) a nuclear explosive device or related materials and technology;

(B) chemical and biological weapons; and

(C) ballistic missiles and ballistic missile launch technology;

(2) no longer provides support for acts of international terrorism; and

(3) poses no threat to United States national security, interests, or allies.

(b) NOTIFICATION.—The President shall notify the Committee on Foreign Affairs of the House of Representatives and the Committee on Foreign Relations of the Senate not later than 15 days before making a certification described in subsection (a).

○

Chairman ROS-LEHTINEN. In addition, without objection, the bipartisan amendment in the nature of a substitute, which was provided to your offices on Monday and which all members have before them this morning, is made the pending business of the committee, is considered as read, and is open for an amendment at any time.

[The amendment in the nature of a substitute follows:]

AMENDMENT IN THE NATURE OF A SUBSTITUTE

TO H.R. 1905

OFFERED BY MS. ROS-LEHTINEN OF FLORIDA

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Iran Threat Reduction Act of 2011".

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title; table of contents.
Sec. 2. Findings.
Sec. 3. Statement of policy.

TITLE I—IRAN ENERGY SANCTIONS

Sec. 101. Findings.
Sec. 102. Sense of Congress.
Sec. 103. Declaration of policy.
Sec. 104. Multilateral regime.
Sec. 105. Imposition of sanctions.
Sec. 106. Description of sanctions.
Sec. 107. Advisory opinions.
Sec. 108. Termination of sanctions.
Sec. 109. Duration of sanctions.
Sec. 110. Reports required.
Sec. 111. Determinations not reviewable.
Sec. 112. Definitions.
Sec. 113. Effective date.
Sec. 114. Repeal.

TITLE II—IRAN FREEDOM SUPPORT

Sec. 201. Codification of sanctions.
Sec. 202. Liability of parent companies for violations of sanctions by foreign subsidiaries.
Sec. 203. Declaration of Congress regarding United States policy toward Iran.
Sec. 204. Assistance to support democracy in Iran.

Sec. 205. Imposition of sanctions on certain persons who are responsible for or complicit in human rights abuses committed against citizens of Iran or their family members after the June 12, 2009, elections in Iran.
Sec. 206. Clarification of sensitive technologies for purposes of procurement ban.
Sec. 207. Comprehensive strategy to promote internet freedom and access to information in Iran.

TITLE III—IRAN REGIME AND IRAN'S ISLAMIC REVOLUTIONARY GUARD CORPS ACCOUNTABILITY

Sec. 301. Iran's Islamic Revolutionary Guard Corps.
Sec. 302. Additional export sanctions against Iran.
Sec. 303. Sanctions against affiliates of Iran's Islamic Revolutionary Guard Corps.
Sec. 304. Measures against foreign persons or entities supporting Iran's Islamic Revolutionary Guard Corps.
Sec. 305. Special measures against foreign countries supporting Iran's Islamic Revolutionary Guard Corps.
Sec. 306. Authority of State and local governments to restrict contracts or licenses for certain sanctionable persons.
Sec. 307. Iranian activities in Iraq and Afghanistan.
Sec. 308. United States policy toward Iran.
Sec. 309. Definitions.
Sec. 310. Rule of construction.

TITLE IV—IRAN FINANCIAL SANCTIONS; DIVESTMENT FROM CERTAIN COMPANIES THAT INVEST IN IRAN; AND PREVENTION OF DIVERSION OF CERTAIN GOODS, SERVICES, AND TECHNOLOGIES TO IRAN

Sec. 401. Iran financial sanctions.
Sec. 402. Divestment from certain companies that invest in Iran.
Sec. 403. Prevention of diversion of certain goods, services, and technologies to Iran.

TITLE V—SECURITIES AND EXCHANGE COMMISSION

Sec. 501. Disclosures to the Securities and Exchange Commission relating to sanctionable activities.

TITLE VI—GENERAL PROVISIONS

Sec. 601. Denial of visas for certain persons of the Government of Iran.
Sec. 602. Inadmissibility of certain aliens who engage in certain activities with respect to Iran.
Sec. 603. Amendments to civil and criminal penalties provisions under the International Emergency Economic Powers Act.
Sec. 604. Exclusion of certain activities.
Sec. 605. Regulatory authority.
Sec. 606. Sunset.

SEC. 2. FINDINGS.

Congress makes the following findings:

(1) Successive administrations have clearly identified the unacceptability of the Iranian regime's pursuit of nuclear weapons capabilities and the danger that pursuit presents to the United States, to our friends and allies, and to global security.

(2) In May 1995, President Clinton stated that "The specter of an Iran armed with weapons of mass destruction and the missiles to deliver them haunts not only Israel but the entire Middle East and ultimately all the rest of us as well. The United States and, I believe, all the Western nations have an overriding interest in containing the threat posed by Iran.".

(3) In the 2006 State of the Union Address, President Bush stated that "The Iranian government is defying the world with its nuclear ambitions, and the nations of the world must not permit the Iranian regime to gain nuclear weapons. America will continue to rally the world to confront these threats.".

(4) In February 2009, President Obama committed the Administration to "developing a strategy to use all elements of American power to prevent Iran from developing a nuclear weapon".

(5) Iran is a major threat to United States national security interests, not only exemplified by Tehran's nuclear program but also by its material assistance to armed groups in Iraq and Afghanistan, to the Palestinian group Hamas, to Lebanese Hezbollah, and to other extremists that seek to undermine regional stability. These capabilities provide the regime with potential asymmetric delivery vehicles and mechanisms for nuclear or other unconventional weapons.

(6) Iran's growing inventory of ballistic missile and other destabilizing types of conventional weapons provides the regime the capabilities to enhance its power projection throughout the region and undermine the national security interests of the United States and its friends and allies.

(7) Were Iran to achieve a nuclear weapons capability, it would, inter alia—

(A) likely lead to the proliferation of such weapons throughout the region, where several states have already indicated interest in nuclear programs, and would dramatically undercut 60 years of United States efforts to stop the spread of nuclear weapons;

(B) greatly increase the threat of nuclear terrorism;

(C) significantly expand Iran's already-growing influence in the region;

(D) insulate the regime from international pressure, giving it wider scope further to oppress its citizens and pursue aggression regionally and globally;

(E) embolden all Iranian-supported terrorist groups, including Hamas and Hezbollah; and

(F) directly threaten several United States friends and allies, especially Israel, whose very right to exist has been denied successively by every leader of the Islamic Republic of Iran and which Iranian President Ahmadinejad says should be "wiped off the map".

(8) Successive Congresses have clearly recognized the threat that the Iranian regime and its policies present to the United States, to our friends and allies, and to global security, and responded with successive bipartisan legislative initiatives.

(9) The extent of the Iranian threat is greater today than when the Iran and Libya Sanctions Act of 1996 was signed into law in 1996, now known as

the Iran Sanctions Act of 1996. That landmark legislation imposed sanctions on foreign companies investing in Iran's energy infrastructure in an effort to undermine the strategic threat from Iran, by cutting off investment in its petroleum sector and thereby denying the regime its economic lifeline and its ability to pursue a nuclear program.

(10) Laws such as the Iran and Libya Sanctions Act of 1996, which was retitled the Iran Sanctions Act of 1996, paved the way for the enactment of similar laws, such as the Iran, North Korea and Syria Nonproliferation Act, the Iran-Iraq Arms Non-Proliferation Act of 1992, the Iran Freedom Support Act, and the Comprehensive Iran Sanctions, Accountability, and Divestment Act of 2010.

(11) United States sanctions on Iran have hindered Iran's ability to attract capital, material, and technical support for its petroleum sector, creating financial difficulties for the regime.

(12) In the Joint Explanatory Statement of the Committee of Conference to the Comprehensive Iran Sanctions, Accountability, and Divestment Act of 2010 (Public Law 111–195; 50 U.S.C. 1701 note) issued on June 23, 2010, the Members of the Committee of Conference noted that "Although [the Iran

Sanctions Act] was enacted more than a decade ago, no Administration has sanctioned a foreign entity for investing $20 million or more in Iran's energy sector, despite a number of such investments. Indeed, on only one occasion, in 1998, did the Administration make a determination regarding a sanctions-triggering investment, but the Administration waived sanctions against the offending persons. Conferees believe that the lack of enforcement of relevant enacted sanctions may have served to encourage rather than deter Iran's efforts to pursue nuclear weapons.''.

(13) The Joint Explanatory Statement also noted that ''The effectiveness of this Act will depend on its forceful implementation. The Conferees urge the President to vigorously impose the sanctions provided for in this Act.''.

(14) The Comprehensive Iran Sanctions, Accountability, and Divestment Act of 2010 mandates among other provisions that the President initiate investigations of potentially sanctionable activity under the Iran Sanctions Act of 1996. Although more than 15 months have passed since enactment of this legislation, Congress has not received notice of the imposition of sanctions on any entities that do

significant business in the United States, despite multiple reports of potentially sanctionable activity by such entities. Although, in accordance with the Comprehensive Iran Sanctions, Accountability, and Divestment Act of 2010, some potentially sanctionable entities have been persuaded to wind down and end their involvement in Iran, others have not.

(15) It is unlikely that Iran can be compelled to abandon its pursuit of nuclear weapons unless sanctions are fully and effectively implemented.

SEC. 3. STATEMENT OF POLICY.

It shall be the policy of the United States to—

(1) prevent Iran from—

(A) acquiring or developing nuclear weapons and associated delivery capabilities;

(B) developing its unconventional weapons and ballistic missile capabilities; and

(C) continuing its support for foreign terrorist organizations and other activities aimed at undermining and destabilizing its neighbors and other nations; and

(2) fully implement all multilateral and bilateral sanctions against Iran in order to compel the Government of Iran to—

(A) abandon and verifiably dismantle its nuclear capabilities;

(B) abandon and verifiably dismantle its ballistic missile and unconventional weapons programs; and

(C) cease all support for foreign terrorist organizations and other activities aimed at undermining and destabilizing its neighbors and other nations.

TITLE I—IRAN ENERGY SANCTIONS

SEC. 101. FINDINGS.

Congress makes the following findings:

(1) The efforts of the Government of Iran to achieve nuclear weapons capability and to acquire other unconventional weapons and the means to deliver them, both through ballistic missile and asymmetric means, and its support for foreign terrorist organizations and other extremists endanger the national security and foreign policy interests of the United States and those countries with which the United States shares common strategic and foreign policy objectives.

(2) The objectives of preventing the proliferation of nuclear and other unconventional weapons

and countering the activities of foreign terrorist organizations and other extremists through existing multilateral and bilateral initiatives require further efforts to deny Iran the financial means to sustain its nuclear, chemical, biological, and missile weapons programs and its active support for terrorism.

(3) The Government of Iran uses its diplomatic facilities and quasi-governmental institutions outside of Iran to support foreign terrorist organizations and other extremists, and assist its unconventional weapons and missile programs, including its nuclear program.

SEC. 102. SENSE OF CONGRESS.

It is the sense of Congress that the goal of compelling Iran to abandon its pursuit of nuclear weapons and other threatening activities can be achieved most effectively through full implementation of all sanctions enacted into law, including those sanctions set out in this title.

SEC. 103. DECLARATION OF POLICY.

Congress declares that it is the policy of the United States to deny Iran the ability to support acts of foreign terrorist organizations and extremists and develop unconventional weapons and ballistic missiles. A critical means of achieving that goal is sanctions that limit Iran's ability to develop its energy resources, including its ability to ex-

plore for, extract, refine, and transport by pipeline its hydrocarbon resources, in order to limit the funds Iran has available for pursuing its objectionable activities.

SEC. 104. MULTILATERAL REGIME.

(a) MULTILATERAL NEGOTIATIONS.—In order to further the objectives of section 103 of this Act, Congress urges the President immediately to initiate diplomatic efforts, both in appropriate international fora such as the United Nations, and bilaterally with allies of the United States, to expand the multilateral sanctions regime regarding Iran, including—

(1) qualitatively expanding the United Nations Security Council sanctions regime against Iran;

(2) qualitatively expanding the range of sanctions by the European Union, South Korea, Japan, Australia, and other key United States allies;

(3) further efforts to limit Iran's development of petroleum resources and import of refined petroleum; and

(4) initiatives aimed at increasing non-Iranian crude oil product output for current purchasers of Iranian petroleum and petroleum byproducts.

(b) REPORTS TO CONGRESS.—Not later than 180 days after the date of the enactment of this Act, and annually thereafter, the President shall submit to the appro-

priate congressional committees a report on the extent to which diplomatic efforts described in subsection (a) have been successful. Each report shall include—

(1) the countries that have agreed to undertake measures to further the objectives of section 103 of this Act with respect to Iran, and a description of those measures; and

(2) the countries that have not agreed to measures described in paragraph (1), and, with respect to those countries, other measures the President recommends that the United States take to further the objectives of section 103 of this Act with respect to Iran.

(c) INTERIM REPORT ON MULTILATERAL SANCTIONS; MONITORING.—Not later than 90 days after the date of the enactment of this Act, the President shall submit to the appropriate congressional committees a report on—

(1) the countries that have established legislative or administrative standards providing for the imposition of trade sanctions on persons or their affiliates that conduct business or have investments in Iran;

(2) the extent and duration of each instance of the application of such sanctions; and

(3) the disposition of any decision with respect to such sanctions by the World Trade Organization or its predecessor organization.

(d) INVESTIGATIONS.—

(1) IN GENERAL.—The President shall initiate an investigation into the possible imposition of sanctions under section 105 of this Act against a person upon receipt by the United States of credible information indicating that such person is engaged in an activity described in such section.

(2) DETERMINATION AND NOTIFICATION.—Not later than 180 days after the date on which an investigation is initiated under paragraph (1), the President shall (unless paragraph (6) applies) determine, pursuant to section 105 of this Act, if a person has engaged in an activity described in such section and shall notify the appropriate congressional committees of the basis for any such determination.

(3) BRIEFING.—

(A) IN GENERAL.—Not later than 30 days after the date of the enactment of this Act, and at the end of every 3-month period thereafter, the President, acting through the Secretary of State, shall brief the appropriate congressional

committees regarding investigations initiated under this subsection.

(B) FORM.—The briefings required under subparagraph (A) shall be provided in unclassified form, but may be provided in classified form.

(4) SUBMISSION OF INFORMATION.—

(A) IN GENERAL.—The Secretary of State shall, in accordance with section 15(b) of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2680(b)), provide to the appropriate congressional committees all requested information relating to investigations or reviews initiated under this title, including the number, scope, and dates of such investigations or reviews.

(B) FORM.—The information required under subparagraph (A) shall be provided in unclassified form, but may contain a classified annex.

(5) TERMINATION.—Subject to paragraph (6), the President may, on a case-by-case basis, terminate an investigation of a person initiated under this subsection.

(6) SPECIAL RULE.—

(A) IN GENERAL.—The President need not initiate an investigation, and may terminate an investigation, on a case-by-case basis under this subsection if the President certifies in writing to the appropriate congressional committees 15 days prior to the determination that—

(i) the person whose activity was the basis for the investigation is no longer engaging in the activity or is divesting all holdings and terminating the activity within one year from the date of the certification; and

(ii) the President has received reliable assurances that the person will not knowingly engage in an activity described in section 105(a) of this Act in the future.

(B) APPLICATION OF SANCTIONS.—The President shall apply the sanctions described in section 106(a) of this Act in accordance with section 105(a) of this Act to a person described in subparagraph (A) if—

(i) the person fails to verifiably divest all holdings and terminate the activity described in subparagraph (A) of this paragraph within one year from the date of

certification of the President under subparagraph (A); or

(ii) the person has been previously designated pursuant to section 4(e)(3) of the Iran Sanctions Act of 1996, as in effect on the day before the date of the enactment of this Act, and fails to verifiably divest all holdings and terminate the activity described in subparagraph (A) within one year from the date of enactment of this Act.

SEC. 105. IMPOSITION OF SANCTIONS.

(a) SANCTIONS WITH RESPECT TO THE DEVELOPMENT OF PETROLEUM RESOURCES OF IRAN, PRODUCTION OF REFINED PETROLEUM PRODUCTS IN IRAN, AND EXPORTATION OF REFINED PETROLEUM PRODUCTS TO IRAN.—

(1) DEVELOPMENT OF PETROLEUM RESOURCES OF IRAN.—

(A) IN GENERAL.—Except as provided in subsection (f), the President shall impose a majority of the sanctions described in section 106(a) of this Act with respect to a person if the President determines that the person know-

ingly, on or after the date of the enactment of this Act—

(i) makes an investment described in subparagraph (B) of $20,000,000 or more; or

(ii) makes a combination of investments described in subparagraph (B) in a 12-month period if each such investment is of at least $5,000,000 and such investments equal or exceed $20,000,000 in the aggregate.

(B) INVESTMENT DESCRIBED.—An investment described in this subparagraph is an investment that directly and significantly contributes to the enhancement of Iran's ability to develop petroleum resources.

(2) PRODUCTION OF REFINED PETROLEUM PRODUCTS.—

(A) IN GENERAL.—Except as provided in subsection (f), the President shall impose a majority of the sanctions described in section 106(a) of this Act with respect to a person if the President determines that the person knowingly, on or after the date of the enactment this Act, sells, leases, or provides to Iran goods,

services, technology, information, or support described in subparagraph (B)—

(i) any of which has a fair market value of $1,000,000 or more; or

(ii) that, during a 12-month period, have an aggregate fair market value of $5,000,000 or more.

(B) GOODS, SERVICES, TECHNOLOGY, INFORMATION, OR SUPPORT DESCRIBED.—Goods, services, technology, information, or support described in this subparagraph are goods, services, technology, information, or support that could directly and significantly facilitate the maintenance or expansion of Iran's domestic production of refined petroleum products, including any direct and significant assistance with respect to the construction, modernization, or repair of petroleum refineries or associated infrastructure, including construction of port facilities, railways, and roads, the primary use of which is to support the delivery of refined petroleum products.

(3) EXPORTATION OF REFINED PETROLEUM PRODUCTS TO IRAN.—

(A) IN GENERAL.—Except as provided in subsection (f), the President shall impose a majority of the sanctions described in section 106(a) of this Act with respect to a person if the President determines that the person knowingly, on or after the date of the enactment of this Act—

(i) sells or provides to Iran refined petroleum products—

(I) that have a fair market value of $1,000,000 or more; or

(II) that, during a 12-month period, have an aggregate fair market value of $5,000,000 or more; or

(ii) sells, leases, or provides to Iran goods, services, technology, information, or support described in subparagraph (B)—

(I) any of which has a fair market value of $1,000,000 or more; or

(II) that, during a 12-month period, have an aggregate fair market value of $5,000,000 or more.

(B) GOODS, SERVICES, TECHNOLOGY, INFORMATION, OR SUPPORT DESCRIBED.—Goods, services, technology, information, or support de-

scribed in this subparagraph are goods, services, technology, information, or support that could directly and significantly contribute to the enhancement of Iran's ability to import refined petroleum products, including—

(i) except as provided in subparagraph (C), underwriting or entering into a contract to provide insurance or reinsurance for the sale, lease, or provision of such goods, services, service contracts, technology, information, or support;

(ii) financing or brokering such sale, lease, or provision;

(iii) bartering or contracting by which the parties exchange goods for goods, including the insurance or reinsurance of such exchanges;

(iv) purchasing, subscribing to, or facilitating the issuance of sovereign debt of the Government of Iran, including governmental bonds; or

(v) providing ships or shipping services to deliver refined petroleum products to Iran.

(C) EXCEPTION FOR UNDERWRITERS AND INSURANCE PROVIDERS EXERCISING DUE DILIGENCE.—The President may not impose sanctions under this paragraph with respect to a person that provides underwriting services or insurance or reinsurance if the President determines that the person has exercised due diligence in establishing and enforcing official policies, procedures, and controls to ensure that the person does not underwrite or enter into a contract to provide insurance or reinsurance for the sale, lease, or provision of goods, services, technology, information, or support described in subparagraph (B).

(4) PURCHASE, SUBSCRIPTION TO, OR FACILITATION OF THE ISSUANCE OF IRANIAN SOVEREIGN DEBT.—Except as provided in subsection (f), the President shall impose a majority of the sanctions described in section 106(a) of this Act with respect to a person if the President determines that the person knowingly, on or after the date of the enactment of this Act, purchases, subscribes to, or facilitates the issuance of—

(A) sovereign debt of the Government of Iran, including governmental bonds; or

(B) debt of any entity owned or controlled by the Government of Iran, including bonds.

(b) MANDATORY SANCTIONS WITH RESPECT TO DEVELOPMENT OF WEAPONS OF MASS DESTRUCTION OR OTHER MILITARY CAPABILITIES.—

(1) IN GENERAL.—The President shall impose a majority of the sanctions described in section 106(a) of this Act if the President determines that a person, on or after the date of the enactment of this Act, has knowingly exported, transferred, permitted, hosted, or otherwise facilitated transshipment that may have enabled a person to export, transfer, or transship to Iran or otherwise provided to Iran any goods, services, technology, or other items that would contribute materially to the ability of Iran to—

(A) acquire or develop chemical, biological, or nuclear weapons or related technologies; or

(B) acquire or develop destabilizing numbers and types of advanced conventional weapons.

(2) ADDITIONAL MANDATORY SANCTIONS RELATING TO TRANSFER OF NUCLEAR TECHNOLOGY.—

(A) IN GENERAL.—Except as provided in subparagraphs (B) and (C), in any case in

which a person is subject to sanctions under paragraph (1) because of an activity described in that paragraph that relates to the acquisition or development of nuclear weapons or related technology or of missiles or advanced conventional weapons that are designed or modified to deliver a nuclear weapon, no license may be issued for the export, and no approval may be given for the transfer or retransfer to the country the government of which has primary jurisdiction over the person, of any nuclear material, facilities, components, or other goods, services, or technology that are or would be subject to an agreement for cooperation between the United States and that government.

(B) EXCEPTION.—The sanctions described in subparagraph (A) shall not apply with respect to a country the government of which has primary jurisdiction over a person that engages in an activity described in that subparagraph if the President determines and notifies the appropriate congressional committees that the government of the country—

(i) does not know or have reason to know about the activity; or

(ii) has taken, or is taking, all reasonable steps necessary to prevent a recurrence of the activity and to penalize the person for the activity.

(C) INDIVIDUAL APPROVAL.—Notwithstanding subparagraph (A), the President may, on a case-by-case basis, approve the issuance of a license for the export, or approve the transfer or retransfer, of any nuclear material, facilities, components, or other goods, services, or technology that are or would be subject to an agreement for cooperation, to a person in a country to which subparagraph (A) applies (other than a person that is subject to the sanctions under paragraph (1)) if the President—

(i) determines that such approval is vital to the national security interests of the United States; and

(ii) not later than 15 days before issuing such license or approving such transfer or retransfer, submits to the Committee on Foreign Affairs of the House of Representatives and the Committee on Foreign Relations of the Senate the jus-

tification for approving such license, transfer, or retransfer.

(D) CONSTRUCTION.—The restrictions in subparagraph (A) shall apply in addition to all other applicable procedures, requirements, and restrictions contained in the Atomic Energy Act of 1954 and other related laws.

(E) DEFINITION.—In this paragraph, the term "agreement for cooperation" has the meaning given that term in section 11 b. of the Atomic Energy Act of 1954 (42 U.S.C. 2014(b)).

(F) APPLICABILITY.—The sanctions described in subparagraph (A) shall apply only in a case in which a person is subject to sanctions under paragraph (1) because of an activity described in such paragraph in which such person engages on or after the date of the enactment of this Act.

(c) PERSONS AGAINST WHICH THE SANCTIONS ARE TO BE IMPOSED.—The sanctions described in subsections (a) and (b)(1) shall be imposed on—

(1) any person the President determines has carried out the activities described in subsection (a) or (b), respectively; and

(2) any person that—

(A) is a successor entity to the person referred to in paragraph (1);

(B) owns or controls the person referred to in paragraph (1), if the person that owns or controls the person referred to in paragraph (1) had actual knowledge or should have known that the person referred to in paragraph (1) engaged in the activities referred to in that paragraph; or

(C) is owned or controlled by, or under common ownership or control with, the person referred to in paragraph (1), if the person owned or controlled by, or under common ownership or control with (as the case may be), the person referred to in paragraph (1) knowingly engaged in the activities referred to in that paragraph.

For purposes of this title, any person or entity described in this subsection shall be referred to as a "sanctioned person".

(d) PUBLICATION IN FEDERAL REGISTER.—The President shall cause to be published in the Federal Register a current list of persons and entities on whom sanctions have been imposed under this title. The removal of

persons or entities from, and the addition of persons and entities to, the list, shall also be so published.

(e) PUBLICATION OF PROJECTS.—The President shall cause to be published in the Federal Register a list of all significant projects that have been publicly tendered in the oil and gas sector in Iran.

(f) EXCEPTIONS.—The President shall not be required to apply or maintain the sanctions under subsection (a) or (b)—

(1) in the case of procurement of defense articles or defense services—

(A) under existing contracts or subcontracts, including the exercise of options for production quantities to satisfy requirements essential to the national security of the United States;

(B) if the President determines in writing that the person to which the sanctions would otherwise be applied is a sole source supplier of the defense articles or services, that the defense articles or services are essential, and that alternative sources are not readily or reasonably available; or

(C) if the President determines in writing that such articles or services are essential to the

national security under defense coproduction agreements;

(2) in the case of procurement, to eligible products, as defined in section 308(4) of the Trade Agreements Act of 1979 (19 U.S.C. 2518(4)), of any foreign country or instrumentality designated under section 301(b) of that Act (19 U.S.C. 2511(b));

(3) to products, technology, or services provided under contracts entered into before the date on which the President publishes in the Federal Register the name of the person on whom the sanctions are to be imposed;

(4) to—

(A) spare parts which are essential to United States products or production;

(B) component parts, but not finished products, essential to United States products or production; or

(C) routine servicing and maintenance of products, to the extent that alternative sources are not readily or reasonably available;

(5) to information and technology essential to United States products or production; or

(6) to medicines, medical supplies, or other humanitarian items.

SEC. 106. DESCRIPTION OF SANCTIONS.

(a) IN GENERAL.—The sanctions to be imposed on a sanctioned person under section 105 of this Act are as follows:

(1) EXPORT-IMPORT BANK ASSISTANCE FOR EXPORTS TO SANCTIONED PERSONS.—The President may direct the Export-Import Bank of the United States to not give approval to for the issuance of any guarantee, insurance, extension of credit, or participation in the extension of credit in connection with the export of any goods or services to any sanctioned person.

(2) EXPORT SANCTION.—The President may order the United States Government not to issue any specific license and not to grant any other specific permission or authority to export any goods or technology to a sanctioned person under—

(A) the Export Administration Act of 1979 (as continued in effect pursuant to the International Emergency Economic Powers Act);

(B) the Arms Export Control Act;

(C) the Atomic Energy Act of 1954; or

(D) any other law that requires the prior review and approval of the United States Government as a condition for the export or reexport of goods or services.

(3) LOANS FROM UNITED STATES FINANCIAL INSTITUTIONS.—The United States Government may prohibit any United States financial institution from making loans or providing credits to any sanctioned person totaling more than $10,000,000 in any 12-month period unless such person is engaged in activities to relieve human suffering and the loans or credits are provided for such activities.

(4) PROHIBITIONS ON FINANCIAL INSTITUTIONS.—The following prohibitions may be imposed against a sanctioned person that is a financial institution:

(A) PROHIBITION ON DESIGNATION AS PRIMARY DEALER.—Neither the Board of Governors of the Federal Reserve System nor the Federal Reserve Bank of New York may designate, or permit the continuation of any prior designation of, such financial institution as a primary dealer in United States Government debt instruments.

(B) PROHIBITION ON SERVICE AS A REPOSITORY OF GOVERNMENT FUNDS.—Such financial institution may not serve as agent of the United States Government or serve as repository for United States Government funds.

The imposition of either sanction under subparagraph (A) or (B) shall be treated as one sanction for purposes of section 105 of this Act, and the imposition of both such sanctions shall be treated as 2 sanctions for purposes of section 105 of this Act.

(5) PROCUREMENT SANCTION.—The United States Government may not procure, or enter into any contract for the procurement of, any goods or services from a sanctioned person.

(6) FOREIGN EXCHANGE.—The President may prohibit any transactions in foreign exchange that are subject to the jurisdiction of the United States and in which the sanctioned person has any interest.

(7) BANKING TRANSACTIONS.—The President may prohibit any transfers of credit or payments between financial institutions or by, through, or to any financial institution, to the extent that such transfers or payments are subject to the jurisdiction of the United States and involve any interest of the sanctioned person.

(8) PROPERTY TRANSACTIONS.—The President may prohibit any person from—

(A) acquiring, holding, withholding, using, transferring, withdrawing, transporting, importing, or exporting any property that is subject to the jurisdiction of the United States and with respect to which a sanctioned person has any interest;

(B) dealing in or exercising any right, power, or privilege with respect to such property; or

(C) conducting any transaction involving such property.

(9) GROUNDS FOR EXCLUSION.—The Secretary of State may deny a visa to, and the Secretary of Homeland Security may deny admission into the United States to, any alien whom the Secretary of State determines is an alien who, on or after the date of the enactment of this Act, is a—

(A) corporate officer, principal, or shareholder with a controlling interest of a person against whom sanctions have been imposed under subsection (a) or (b);

(B) corporate officer, principal, or shareholder with a controlling interest of a successor

entity to or a parent or subsidiary of such a sanctioned person;

(C) corporate officer, principal, or shareholder with a controlling interest of an affiliate of such a sanctioned person, if such affiliate engaged in a sanctionable activity described in subsection (a) or (b) and if such affiliate is controlled in fact by such sanctioned person; or

(D) spouse, minor child, or agent of a person inadmissible under subparagraph (A), (B), or (C).

(10) SANCTIONS ON PRINCIPAL EXECUTIVE OFFICERS.—The President may impose on the principal executive officer or officers of any sanctioned person, or on persons performing similar functions and with similar authorities as such officer or officers, any of the sanctions under this subsection. The President shall include on the list published under section 105(d) of this Act the name of any person against whom sanctions are imposed under this paragraph.

(11) ADDITIONAL SANCTIONS.—The President shall impose sanctions, as appropriate, to restrict imports with respect to a sanctioned person, in ac-

cordance with the International Emergency Economic Powers Act (50 U.S.C. 1701 et seq.).

(b) ADDITIONAL MEASURE RELATING TO GOVERNMENT CONTRACTS.—

(1) MODIFICATION OF FEDERAL ACQUISITION REGULATION.—The Federal Acquisition Regulation issued pursuant to section 1303 of title 41, United States Code, shall require a certification from each person that is a prospective contractor that such person and any person owned or controlled by the person does not engage in any activity for which sanctions may be imposed under section 105 or section 305 of this Act.

(2) REMEDIES.—

(A) IN GENERAL.—If the head of an executive agency determines that a person has submitted a false certification under paragraph (1) after the date on which the Federal Acquisition Regulation is revised to implement the requirements of this subsection, the head of that executive agency shall terminate a contract with such person or debar or suspend such person from eligibility for Federal contracts for a period of not less than 2 years. Any such debarment or suspension shall be subject to the pro-

cedures that apply to debarment and suspension under the Federal Acquisition Regulation under subpart 9.4 of part 9 of title 48, Code of Federal Regulations.

(B) INCLUSION ON LIST OF PARTIES EXCLUDED FROM FEDERAL PROCUREMENT AND NONPROCUREMENT PROGRAMS.—The Administrator of General Services shall include on the List of Parties Excluded from Federal Procurement and Nonprocurement Programs maintained by the Administrator under part 9 of the Federal Acquisition Regulation issued pursuant to section 1303 of title 41, United States Code, each person that is debarred, suspended, or proposed for debarment or suspension by the head of an executive agency on the basis of a determination of a false certification under subparagraph (A).

(3) CLARIFICATION REGARDING CERTAIN PRODUCTS.—The remedies specified in paragraph (2) shall not apply with respect to the procurement of eligible products, as defined in section 308(4) of the Trade Agreements Act of 1974 (19 U.S.C. 2518(4)), of any foreign country or instrumentality designated

under section 301(b) of such Act (19 U.S.C. 2511(b)).

(4) RULE OF CONSTRUCTION.—This subsection shall not be construed to limit the use of other remedies available to the head of an executive agency or any other official of the Federal Government on the basis of a determination of a false certification under paragraph (1).

(5) WAIVER.—The President may, on a case-by-case basis, waive the requirement that a person make a certification under paragraph (1) if the President determines and certifies in writing to the appropriate congressional committees that failure to exercise such waiver authority would pose an unusual and extraordinary threat to the vital national security interests of the United States.

(6) EXECUTIVE AGENCY DEFINED.—In this subsection, the term "executive agency" has the meaning given such term in section 133 of title 41, United States Code.

(7) APPLICABILITY.—The revisions to the Federal Acquisition Regulation required under paragraph (1) shall apply with respect to contracts for which solicitations are issued on or after the date

that is 90 days after the date of the enactment of this Act.

SEC. 107. ADVISORY OPINIONS.

The Secretary of State may, upon the request of any person, issue an advisory opinion to such person as to whether a proposed activity by such person would subject such person to sanctions under this title. Any person who relies in good faith on such an advisory opinion which states that such proposed activity would not subject such person to such sanctions, and any such person who thereafter engages in such activity, shall not be made subject to such sanctions on account of such activity.

SEC. 108. TERMINATION OF SANCTIONS.

(a) CERTIFICATION.—The requirement under section 105 of this Act to impose sanctions shall no longer have force or effect with respect to Iran if the President determines and certifies to the appropriate congressional committees that Iran—

(1) has ceased and verifiably dismantled its efforts to design, develop, manufacture, or acquire—

(A) a nuclear explosive device or related materials and technology;

(B) chemical and biological weapons; and

(C) ballistic missiles and ballistic missile launch technology;

(2) no longer provides support for acts of international terrorism; and

(3) poses no threat to the national security, interests, or allies of the United States.

(b) NOTIFICATION.—The President shall notify the appropriate congressional committees not later than 15 days before making the certification described in subsection (a).

SEC. 109. DURATION OF SANCTIONS.

(a) DELAY OF SANCTIONS.—

(1) CONSULTATIONS.—If the President makes a determination described in section 105 of this Act with respect to a foreign person, Congress urges the President to initiate consultations immediately with the government with primary jurisdiction over such foreign person with respect to the imposition of sanctions under such section.

(2) ACTIONS BY GOVERNMENT OF JURISDICTION.—In order to pursue consultations under paragraph (1) with the government concerned, the President may delay for up to 90 days the imposition of sanctions under section 105 of this Act. Following such consultations, the President shall immediately impose on the foreign person referred to in paragraph (1) such sanctions unless the President deter-

mines and certifies to Congress that the government has taken specific and effective actions, including, as appropriate, the imposition of appropriate penalties to terminate the involvement of the foreign person in the activities that resulted in the determination by the President under section 105 of this Act concerning such foreign person and the foreign person is no longer engaged in such activities.

(b) DURATION OF SANCTIONS.—A sanction imposed under section 105 of this Act shall remain in effect—

(1) for a period of not less than 2 years beginning on the date on which such sanction is imposed; or

(2) until such time as the President determines and certifies to Congress that the person whose activities were the basis for imposing such sanction is no longer engaging in such activities and that the President has received reliable assurances that such person will not knowingly engage in such activities in the future, except that such sanction shall remain in effect for a period of at least one year.

(c) WAIVER.—

(1) AUTHORIZATION.—

(A) IN GENERAL.—The President may waive the requirements in section 105(a) or

105(b)(2) of this Act to impose a sanction or sanctions, and may waive, on a case-by-case basis, the continued imposition of a sanction or sanctions under subsection (b) of this section, if the President determines and so reports to the appropriate congressional committees 15 days prior to the exercise of waiver authority that failure to exercise such waiver authority would pose an unusual and extraordinary threat to the vital national security interests of the United States.

(B) CONTENTS OF REPORT.—Any report under subparagraph (A) shall provide a specific and detailed rationale for a determination made pursuant to such paragraph, including—

(i) a description of the conduct that resulted in the determination under section 105(a) or section 105(b)(2) of this Act, as the case may be;

(ii) in the case of a foreign person, an explanation of the efforts to secure the cooperation of the government with primary jurisdiction over such person to terminate or, as appropriate, penalize the activities that resulted in the determination under

section 105(a) or 105(b)(2) of this Act, as the case may be;

(iii) an estimate of the significance of the conduct of the person concerned in contributing to the ability of Iran to develop petroleum resources, produce refined petroleum products, or import refined petroleum products; and

(iv) a statement as to the response of the United States in the event that the person concerned engages in other activities that would be subject to a sanction or sanctions under section 105(a) or 105(b)(2) of this Act, as the case may be.

(2) WAIVER WITH RESPECT TO PERSONS IN COUNTRIES THAT COOPERATE IN MULTILATERAL EFFORTS WITH RESPECT TO IRAN.—

(A) IN GENERAL.—The President may, on a case-by-case basis, waive for a period of not more than 12 months the application of section 105(a) of this Act with respect to a person if the President, at least 30 days before the waiver is to take effect—

(i) certifies to the appropriate congressional committees that—

(I) the government with primary jurisdiction over the person is closely cooperating with the United States in multilateral efforts to prevent Iran from—

(aa) acquiring or developing chemical, biological, or nuclear weapons or related technologies; or

(bb) acquiring or developing destabilizing numbers and types of advanced conventional weapons; and

(II) such a waiver is vital to the national security interests of the United States; and

(ii) submits to the appropriate congressional committees a report identifying—

(I) the person with respect to which the President waives the application of sanctions; and

(II) the actions taken by the government described in clause (i)(I) to

cooperate in multilateral efforts described in that clause.

(B) SUBSEQUENT RENEWAL OF WAIVER.—At the conclusion of the period of a waiver under subparagraph (A), the President may renew the waiver—

(i) if the President determines, in accordance with subparagraph (A), that the waiver is appropriate; and

(ii) for subsequent periods of not more than 12 months each.

SEC. 110. REPORTS REQUIRED.

(a) REPORT ON CERTAIN INTERNATIONAL INITIATIVES.—Not later than 180 days after the date of the enactment of this Act and every 180 days thereafter, the President shall transmit to the appropriate congressional committees a report describing—

(1) the efforts of the President to mount a multilateral campaign to persuade all countries to pressure Iran to cease its nuclear, chemical, biological, and missile weapons programs and its support of acts of international terrorism;

(2) the efforts of the President to persuade other governments to ask Iran to reduce in the countries of such governments the presence of Ira-

nian diplomats and representatives of other government and military or quasi-governmental institutions of Iran, and to withdraw any such diplomats or representatives who participated in the takeover of the United States Embassy in Tehran, Iran, on November 4, 1979, or the subsequent holding of United States hostages for 444 days;

(3) the extent to which the International Atomic Energy Agency has established regular inspections of all nuclear facilities in Iran, including those facilities presently under construction; and

(4) Iran's use of Iranian diplomats and representatives of other government and military or quasi-governmental institutions of Iran to promote acts of international terrorism or to develop or sustain Iran's nuclear, chemical, biological, or missile weapons programs.

(b) REPORT ON EFFECTIVENESS OF ACTIONS UNDER THIS ACT.—Not later than 180 days after the date of the enactment of this Act and annually thereafter, the President shall transmit to Congress a report that describes—

(1) the extent to which actions relating to trade taken pursuant to this title have—

(A) been effective in achieving the policy objective described in section 103 of this Act and any other foreign policy or national security objectives of the United States with respect to Iran; and

(B) affected humanitarian interests in Iran, the country in which a sanctioned person is located, or in other countries; and

(2) the impact of actions relating to trade taken pursuant to this title on other national security, economic, and foreign policy interests of the United States, including relations with countries friendly to the United States, and on the United States economy.

The President may include in such reports the President's recommendation on whether or not this Act should be terminated or modified.

(c) OTHER REPORTS.—The President shall ensure the continued transmittal to Congress of reports describing—

(1) the nuclear and other military capabilities of Iran, as required under section 601(a) of the Nuclear Non-Proliferation Act of 1978 and section 1607 of the National Defense Authorization Act for Fiscal Year 1993; and

(2) the support provided by Iran for acts of international terrorism, as part of the Department of State's annual reports on international terrorism.

(d) REPORTS ON GLOBAL TRADE RELATING TO IRAN.—Not later than 180 days after the date of the enactment of the this Act and annually thereafter, the President shall transmit to the appropriate congressional committees a report, with respect to the most recent 12-month period for which data are available, on the dollar value amount of trade, including in the energy sector, between Iran and each country maintaining membership in the Group of 20 Finance Ministers and Central Bank Governors.

SEC. 111. DETERMINATIONS NOT REVIEWABLE.

A determination to impose sanctions under this title shall not be reviewable in any court.

SEC. 112. DEFINITIONS.

In this title:

(1) ACT OF INTERNATIONAL TERRORISM.—The term "act of international terrorism" has the meaning given such term in section 2331 of title 18, United States Code.

(2) APPROPRIATE CONGRESSIONAL COMMITTEES.—The term "appropriate congressional committees" means—

(A) the Committee on Finance, the Committee on Banking, Housing, and Urban Affairs, and the Committee on Foreign Relations of the Senate; and

(B) the Committee on Ways and Means, the Committee on Banking and Financial Services, the Committee on Financial Services, and the Committee on Foreign Affairs of the House of Representatives.

(3) COMPONENT PART.—The term "component part" has the meaning given such term in section 11A(e)(1) of the Export Administration Act of 1979 (50 U.S.C. App. 2410a(e)(1)).

(4) CREDIBLE INFORMATION.—The term "credible information" means, with respect to a person, such person's public announcement of an investment described in section 105 of this Act, Iranian governmental announcements of such an investment, reports to stockholders, annual reports, industry reports, Government Accountability Office products, and trade publications.

(5) DEVELOP AND DEVELOPMENT.—The terms "develop" and "development" mean the exploration for, or the extraction, refining, or transportation by pipeline of, petroleum resources.

(6) FINANCIAL INSTITUTION.—The term "financial institution" includes—

(A) a depository institution (as defined in section 3(c)(1) of the Federal Deposit Insurance Act), including a branch or agency of a foreign bank (as defined in section 1(b)(7) of the International Banking Act of 1978);

(B) a credit union;

(C) a securities firm, including a broker or dealer;

(D) an insurance company, including an agency or underwriter; and

(E) any other company that provides financial services including joint ventures with Iranian entities both inside and outside of Iran and partnerships or investments with Iranian government-controlled entities or affiliated entities.

(7) FINISHED PRODUCT.—The term "finished product" has the meaning given such term in section 11A(e)(2) of the Export Administration Act of 1979 (50 U.S.C. App. 2410a(e)(2)).

(8) FOREIGN PERSON.—The term "foreign person" means—

(A) an individual who is not a United States person or an alien lawfully admitted for permanent residence into the United States; or

(B) a corporation, partnership, joint venture, cooperative venture, or other nongovernmental entity which is not a United States person.

(9) FOREIGN TERRORIST ORGANIZATION.—The term "foreign terrorist organization" means an organization designated by the Secretary of State as a foreign terrorist organization in accordance with section 219(a) of the Immigration and Nationality Act (8 U.S.C. 1189(a)).

(10) GOODS AND TECHNOLOGY.—The terms "goods" and "technology" have the meanings given such terms in section 16 of the Export Administration Act of 1979 (50 U.S.C. App. 2415).

(11) INVESTMENT.—The term "investment" means any of the following activities if any of such activities is undertaken pursuant to an agreement, or pursuant to the exercise of rights under such an agreement, that is entered into with the Government of Iran or a nongovernmental entity in Iran, on or after the date of the enactment of this Act:

(A) The entry into a contract that includes responsibility for the development of petroleum resources located in Iran, or the entry into a contract providing for the general supervision and guarantee of another person's performance of such a contract.

(B) The purchase of a share of ownership, including an equity interest, in the development described in subparagraph (A).

(C) The entry into a contract providing for the participation in royalties, earnings, or profits in the development described in subparagraph (A), without regard to the form of such participation.

(D) The provision of goods, services, or technology related to petroleum resources.

(12) IRAN.—The term "Iran" includes any agency or instrumentality of Iran.

(13) IRANIAN DIPLOMATS AND REPRESENTATIVES OF OTHER GOVERNMENT AND MILITARY OR QUASI-GOVERNMENTAL INSTITUTIONS OF IRAN.—The term "Iranian diplomats and representatives of other government and military or quasi-governmental institutions of Iran" includes employees, representatives, or affiliates of Iran's—

(A) Foreign Ministry;

(B) Ministry of Intelligence and Security;

(C) Revolutionary Guard Corps and affiliated entities;

(D) Crusade for Reconstruction;

(E) Qods (Jerusalem) Forces;

(F) Interior Ministry;

(G) Foundation for the Oppressed and Disabled;

(H) Prophet's Foundation;

(I) June 5th Foundation;

(J) Martyr's Foundation;

(K) Islamic Propagation Organization; and

(L) Ministry of Islamic Guidance.

(14) KNOWINGLY.—The term "knowingly", with respect to conduct, a circumstance, or a result means that a person has actual knowledge, or should have known, of the conduct, the circumstance, or the result of such conduct, circumstance, or result.

(15) NUCLEAR EXPLOSIVE DEVICE.—The term "nuclear explosive device" means any device, whether assembled or disassembled, that is designed to produce an instantaneous release of an amount of nuclear energy from special nuclear material (as defined in section 11(aa) of the Atomic Energy Act of

1954 (42 U.S.C. 2014(aa))) that is greater than the amount of energy that would be released from the detonation of one pound of trinitrotoluene (TNT).

(16) PERSON.—

(A) IN GENERAL.—The term "person" means—

(i) a natural person;

(ii) a corporation, business association, partnership, society, trust, financial institution, insurer, underwriter, guarantor, or any other business organization, any other nongovernmental entity, organization, or group, and any governmental entity operating as a business enterprise; and

(iii) any successor to any entity described in clause (ii).

(B) EXCLUSION.—The term "person" does not include a government or governmental entity that is not operating as a business enterprise.

(17) PETROLEUM RESOURCES.—The term "petroleum resources" includes petroleum and natural gas resources, refined petroleum products, oil or liquefied natural gas, oil or liquefied natural gas tankers, and products used to construct or maintain

pipelines used to transport oil or liquefied natural gas.

(18) REFINED PETROLEUM PRODUCTS.—The term "refined petroleum products" means diesel, gasoline, jet fuel (including naphtha-type and kerosene-type jet fuel), and aviation gasoline.

(19) UNITED STATES OR STATE.—The terms "United States" and "State" mean the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, American Samoa, Guam, the United States Virgin Islands, and any other territory or possession of the United States.

(20) UNITED STATES PERSON.—The term "United States person" means—

(A) a natural person who is a citizen of the United States or who owes permanent allegiance to the United States; and

(B) a corporation or other legal entity that is organized under the laws of the United States or any State if a natural person described in subparagraph (A) owns more than 50 percent of the outstanding capital stock or other beneficial interest in such corporation or legal entity.

SEC. 113. EFFECTIVE DATE.

This title shall take effect on the date of the enactment of this Act and shall apply with respect to an investment or activity described in subsection (a) or (b) of section 105 of this Act that is commenced on or after such date of enactment.

SEC. 114. REPEAL.

(a) IN GENERAL.—The Iran Sanctions Act of 1996 (50 U.S.C. 1701 note) is repealed.

(b) CONFORMING AMENDMENTS.—The Comprehensive Iran Sanctions, Accountability, and Divestment Act of 2010 (Public Law 111–195; 22 U.S.C. 8501 et seq.) is amended—

(1) in section 103(b)(3)(E), by striking "section 14 of the Iran Sanctions Act of 1996 (Public Law 104–172; 50 U.S.C. 1701 note)" and inserting "section 112 of the Iran Threat Reduction Act of 2011";

(2) in section 111(a)(1), by striking "section 5 of the Iran Sanctions Act of 1996, as amended by section 102 of this Act" and inserting "section 105 of the Iran Threat Reduction Act of 2011";

(3) in section 112(3), by striking "Iran Sanctions Act of 1996, as amended by section 102 of this Act," and inserting "Iran Threat Reduction Act of 2011"; and

(4) in section 201(2), by striking "section 14 of the Iran Sanctions Act of 1996 (Public Law 104–172; 50 U.S.C. 1701 note)" and inserting "section 112 of the Iran Threat Reduction Act of 2011".

(c) REFERENCES.—Any reference in a law, regulation, document, or other record of the United States to the Iran Sanctions Act of 1996 shall be deemed to be a reference to this title.

(d) FEDERAL ACQUISITION REGULATION.—Notwithstanding the repeal made by subsection (a), the modification to the Federal Acquisition Regulation made pursuant to section 6(b)(1) of the Iran Sanctions Act of 1996 shall continue in effect until the modification to such Regulation that is made pursuant to section 106(b)(1) of this Act takes effect.

TITLE II—IRAN FREEDOM SUPPORT

SEC. 201. CODIFICATION OF SANCTIONS.

United States sanctions with respect to Iran imposed pursuant to—

(1) sections 1 and 3 of Executive Order 12957,

(2) sections 1(e), 1(g), and 3 of Executive Order 12959,

(3) sections 2, 3, and 5 of Executive Order 13059,

(4) sections 1, 5, 6, 7, and 8 of Executive Order 13553, or

(5) sections 1, 2, and 5 of Executive Order 13574,

as in effect on September 1, 2011, shall remain in effect until the President certifies to the appropriate congressional committees, at least 90 days before the removal of such sanctions, that the Government of Iran has verifiably dismantled its nuclear weapons program, its biological and chemical weapons programs, its ballistic missile development programs, and ceased its support for international terrorism.

SEC. 202. LIABILITY OF PARENT COMPANIES FOR VIOLATIONS OF SANCTIONS BY FOREIGN SUBSIDIARIES.

(a) DEFINITIONS.—In this section:

(1) ENTITY.—The term "entity" means a partnership, association, trust, joint venture, corporation, or other organization.

(2) OWN OR CONTROL.—The term "own or control" means, with respect to an entity—

(A) to hold more than 50 percent of the equity interest by vote or value in the entity;

(B) to hold a majority of seats on the board of directors of the entity; or

(C) to otherwise control the actions, policies, or personnel decisions of the entity.

(3) SUBSIDIARY.—The term "subsidiary" means an entity that is owned or controlled by a United States person.

(4) UNITED STATES PERSON.—The term "United States person" means—

(A) a natural person who is a citizen, resident, or national of the United States; and

(B) an entity that is organized under the laws of the United States, any State or territory thereof, or the District of Columbia, if natural persons described in subparagraph (A) own or control the entity.

(b) IN GENERAL.—A United States person shall be subject to a penalty for a violation of the provisions of Executive Order 12959 (50 U.S.C. 1701 note) or Executive Order 13059 (50 U.S.C. 1701 note), or any other prohibition on transactions with respect to Iran imposed under the authority of the International Emergency Economic Powers Act (50 U.S.C. 1701 et seq.), if the President determines that a subsidiary of the United States person that is established or maintained outside the United States engages in an act that, if committed in the

United States or by a United States person, would violate such provisions.

(c) EFFECTIVE DATE.—

(1) IN GENERAL.—Subsection (b) shall take effect on the date of the enactment of this Act and apply with respect to acts described in subsection (b)(2) that are—

(A) commenced on or after the date of the enactment of this Act; or

(B) except as provided in paragraph (2), commenced before such date of enactment, if such acts continue on or after such date of enactment.

(2) EXCEPTION.—Subsection (b) shall not apply with respect to an act described in paragraph (1)(B) by a subsidiary owned or controlled by a United States person if the United States person divests or terminates its business with the subsidiary not later than 90 days after the date of the enactment of this Act.

SEC. 203. DECLARATION OF CONGRESS REGARDING UNITED STATES POLICY TOWARD IRAN.

It shall be the policy of the United States to support those individuals in Iran seeking a free, democratic gov-

ernment that respects the rule of law and protects the rights of all citizens.

SEC. 204. ASSISTANCE TO SUPPORT DEMOCRACY IN IRAN.

(a) ASSISTANCE AUTHORIZED.—The President is authorized to provide financial and political assistance (including the award of grants) to foreign and domestic individuals, organizations, and entities that support democracy and the promotion of democracy in Iran. Such assistance may include the award of grants to eligible independent prodemocracy broadcasting organizations and new media that broadcast into Iran.

(b) ELIGIBILITY FOR ASSISTANCE.—Financial and political assistance authorized under this section shall be provided only to an individual, organization, or entity that—

(1) officially opposes the use of violence and terrorism and has not been designated as a foreign terrorist organization under section 219(a) of the Immigration and Nationality Act (8 U.S.C. 1189(a)) at any time during the preceding 4 years;

(2) advocates the adherence by Iran to nonproliferation regimes for nuclear, chemical, and biological weapons and materiel;

(3) is dedicated to democratic values and supports the adoption of a democratic form of Government in Iran;

(4) is dedicated to respect for human rights, including the fundamental equality of women;

(5) works to establish equality of opportunity for all people; and

(6) supports freedom of the press, freedom of speech, freedom of association, and freedom of religion.

(c) FUNDING.—Financial and political assistance authorized under this section may only be provided using funds available to the Middle East Partnership Initiative (MEPI), the Broader Middle East and North Africa Initiative, the Human Rights and Democracy Fund, and the Near East Regional Democracy Fund.

(d) NOTIFICATION.—Not later than 15 days before each obligation of assistance under this section, and in accordance with the procedures under section 634A of the Foreign Assistance Act of 1961 (22 U.S.C. 2394–l), the President shall notify the Committee on Foreign Affairs and the Committee on Appropriations of the House of Representatives and the Committee on Foreign Relations and the Committee on Appropriations of the Senate of such obligation of assistance. Such notification shall in-

clude, as practicable, a description of the types of programs supported by such assistance and an identification of the recipients of such assistance.

(e) SENSE OF CONGRESS REGARDING DIPLOMATIC ASSISTANCE.—It is the sense of Congress that—

(1) contacts should be expanded with opposition groups in Iran that meet the criteria for eligibility for assistance under subsection (b);

(2) support for those individuals seeking democracy in Iran should be expressed by United States representatives and officials in all appropriate international fora; and

(3) officials and representatives of the United States should—

(A) strongly and unequivocally support indigenous efforts in Iran calling for free, transparent, and democratic elections; and

(B) draw international attention to violations by the Government of Iran of human rights, freedom of religion, freedom of assembly, and freedom of the press.

SEC. 205. IMPOSITION OF SANCTIONS ON CERTAIN PERSONS WHO ARE RESPONSIBLE FOR OR COMPLICIT IN HUMAN RIGHTS ABUSES COMMITTED AGAINST CITIZENS OF IRAN OR THEIR FAMILY MEMBERS AFTER THE JUNE 12, 2009, ELECTIONS IN IRAN.

(a) LIST OF PERSONS WHO ARE RESPONSIBLE FOR OR COMPLICIT IN CERTAIN HUMAN RIGHTS ABUSES; SANCTIONS ON SUCH PERSONS.—

(1) IN GENERAL.—Not later than 90 days after the date of the enactment of this Act, the President shall transmit to the appropriate congressional committees a list of all persons who are senior officials of the Government of Iran, including the Supreme Leader, the President, Members of the Cabinet, Members of the Assembly of Experts, Members of the Ministry of Intelligence Services, or any Member of the Iranian Revolutionary Guard Corps with the rank of brigadier general and above, including members of paramilitary organizations such as Ansar-e-Hezbollah and Basij-e Mostaz'afin.

(2) CERTIFICATION.—The President shall impose on the persons specified in the list under paragraph (1) the sanctions described in subsection (b). The President shall exempt any such person from such imposition if the President determines and cer-

tifies to the appropriate congressional committees that such person, based on credible evidence, is not responsible for or complicit in, or responsible for ordering, controlling, or otherwise directing, the commission of serious human rights abuses against citizens of Iran or their family members on or after June 12, 2009, regardless of whether such abuses occurred in Iran.

(3) UPDATES OF LIST.—The President shall transmit to the appropriate congressional committees an updated list under paragraph (1)—

(A) not later than every 60 days beginning after the date of the initial transmittal under such paragraph; and

(B) as new information becomes available.

(4) FORM OF REPORT; PUBLIC AVAILABILITY.—

(A) FORM.—The list required under paragraph (1) shall be submitted in unclassified form but may contain a classified annex.

(B) PUBLIC AVAILABILITY.—The unclassified portion of the list required under paragraph (1) shall be made available to the public and posted on the Web sites of the Department of the Treasury and the Department of State.

(5) CONSIDERATION OF DATA FROM OTHER COUNTRIES AND NONGOVERNMENTAL ORGANIZATIONS.—In preparing the list required under paragraph (1), the President shall consider credible data already obtained by other countries and nongovernmental organizations, including organizations in Iran, that monitor the human rights abuses of the Government of Iran.

(b) SANCTIONS DESCRIBED.—The sanctions described in this subsection are ineligibility for a visa to enter the United States and sanctions pursuant to the International Emergency Economic Powers Act (50 U.S.C. 1701 et seq.), including blocking of property and restrictions or prohibitions on financial transactions and the exportation and importation of property, subject to such regulations as the President may prescribe, including regulatory exceptions to permit the United States to comply with the Agreement between the United Nations and the United States of America regarding the Headquarters of the United Nations, signed June 26, 1947, and entered into force November 21, 1947, and other applicable international obligations.

(c) TERMINATION OF SANCTIONS.—The provisions of this section shall terminate on the date on which the Presi-

dent determines and certifies to the appropriate congressional committees that the Government of Iran—

(1) has unconditionally released all political prisoners, including the citizens of Iran detained in the aftermath of the June 12, 2009, presidential election in Iran;

(2) has ceased its practices of violence, unlawful detention, torture, and abuse of citizens of Iran while engaging in peaceful political activity;

(3) has conducted a transparent investigation into the killings, arrests, and abuse of peaceful political activists that occurred in the aftermath of the June 12, 2009, presidential election in Iran and prosecuted the individuals responsible for such killings, arrests, and abuse; and

(4) has—

(A) established an independent judiciary; and

(B) is respecting the human rights and basic freedoms recognized in the Universal Declaration of Human Rights.

SEC. 206. CLARIFICATION OF SENSITIVE TECHNOLOGIES FOR PURPOSES OF PROCUREMENT BAN.

The Secretary of State shall—

(1) not later than 90 days after the date of the enactment of this Act, issue guidelines to further describe the goods, services, and technologies that will be considered ''sensitive technologies'' for purposes of section 106 of the Comprehensive Iran Sanctions, Accountability, and Divestment Act of 2010 (22 U.S.C. 8515), and publish those guidelines in the Federal Register;

(2) determine the types of goods, services, and technologies that enable any indigenous capabilities that Iran has to disrupt and monitor information and communications in that country, and consider adding descriptions of those items to the guidelines; and

(3) periodically review, but in no case less than once each year, the guidelines and, if necessary, amend the guidelines on the basis of technological developments and new information regarding transfers of goods, services, and technologies to Iran and the development of Iran's indigenous capabilities to disrupt and monitor information and communications in Iran.

SEC. 207. COMPREHENSIVE STRATEGY TO PROMOTE INTERNET FREEDOM AND ACCESS TO INFORMATION IN IRAN.

(a) IN GENERAL.—Not later than 90 days after the date of the enactment of this Act and annually thereafter, the Secretary of State shall submit to the Committee on Foreign Affairs and the Committee on Appropriations of the House of Representatives and the Committee on Foreign Relations and the Committee on Appropriations of the Senate a comprehensive strategy to—

(1) help the people of Iran produce, access, and share information freely and safely via the Internet, including in Farsi and regional languages;

(2) support the development of counter-censorship technologies that enable the citizens of Iran to undertake Internet activities without interference from the Government of Iran;

(3) increase the capabilities and availability of secure mobile communications among human rights and democracy activists in Iran;

(4) provide resources for digital safety training for media, unions, and academic and civil society organizations in Iran;

(5) increase the amount of accurate Internet content in local languages in Iran;

(6) increase emergency resources for the most vulnerable human rights advocates seeking to organize, share information, and support human rights in Iran;

(7) expand surrogate radio, television, live stream, and social network communications inside Iran;

(8) expand activities to safely assist and train human rights, civil society, and union activists in Iran to operate effectively and securely;

(9) defeat all attempts by the Government of Iran to jam or otherwise deny international satellite broadcasting signals;

(10) expand worldwide United States embassy and consulate programming for and outreach to Iranian dissident communities;

(11) expand access to proxy servers for democracy activists in Iran; and

(12) discourage telecommunication and software companies from facilitating Internet censorship by the Government of Iran.

(b) ELIGIBILITY FOR ASSISTANCE.—Assistance authorized under the comprehensive stategy required under subsection (a) shall be provided only to an individual, organization, or entity that meets the eligibility criteria in

section 204(b) of this Act for financial and political assistance authorized under section section 204(a) of this Act.

(c) FORM.—The comprehensive strategy required under subsection (a) shall be submitted in unclassified form and may include a classified annex.

TITLE III—IRAN REGIME AND IRAN'S ISLAMIC REVOLUTIONARY GUARD CORPS ACCOUNTABILITY

SEC. 301. IRAN'S ISLAMIC REVOLUTIONARY GUARD CORPS.

(a) TRANSACTIONS WITH IRAN'S ISLAMIC REVOLUTIONARY GUARD CORPS.—No United States person shall knowingly conduct any commercial transaction or financial transaction with, or make any investment in—

(1) any person or entity owned or controlled by Iran's Islamic Revolutionary Guard Corps;

(2) any instrumentality, subsidiary, affiliate, or agent of Iran's Islamic Revolutionary Guard Corps; or

(3) any project, activity, or business owned or controlled by Iran's Islamic Revolutionary Guard Corps.

(b) TRANSACTIONS WITH CERTAIN FOREIGN PERSONS.—No United States person shall knowingly conduct any commercial transaction or financial transaction with,

or make any investment in, any foreign person or foreign entity that conducts any transaction with or makes any investment with Iran's Islamic Revolutionary Guard Corps, which, if conducted or made by a United States person, would constitute a violation of subsection (a).

(c) PENALTIES.—Any United States person who violates subsection (a) or (b) shall be subject to 1 or more of the criminal penalties under the authority of section 206(c) of the International Emergency Economic Powers Act (50 U.S.C. 1705).

(d) WAIVER.—The President is authorized to waive the restrictions in subsection (a) or (b) on a case-by-case basis if the President determines and notfies the appropriate congressional committees that failure to exercise such waiver authority would pose an unusual and extraordinary threat to the national security interests of the United States.

(e) AMENDMENTS TO CODE OF FEDERAL REGULATIONS.—Not later than 30 days after the date of the enactment of this Act, the President shall amend part 544 of title 31, Code of Federal Regulations ("Weapons of Mass Destruction Proliferators Sanctions Regulations"), to incorporate the provisions of this section.

(f) DEFINITIONS.—In this section, the terms "foreign person", "knowingly", and "United States person" have the meanings given such terms in section 112 of this Act.

SEC. 302. ADDITIONAL EXPORT SANCTIONS AGAINST IRAN.

Notwithstanding section 103(b)(2)(B)(iv) of the Comprehensive Iran Sanctions, Accountability, and Divestment Act of 2010 (Public Law 111–195; 22 U.S.C. 8512(b)(2)(B)(iv)) or section 1606 of the Iran-Iraq Arms Non-Proliferation Act of 1992 (Public Law 102–484; 50 U.S.C. 1701 note) or any other provision of law, effective on the date of the enactment of this Act—

(1) licenses to export or reexport goods, services, or technology relating to civil aviation of United States origin to Iran may not be issued, and any such license issued before such date of enactment is no longer valid; and

(2) goods, services, or technology described in paragraph (1) may not be exported or reexported.

SEC. 303. SANCTIONS AGAINST AFFILIATES OF IRAN'S ISLAMIC REVOLUTIONARY GUARD CORPS.

(a) IN GENERAL.—Not later than 90 days after the date of the enactment of this Act, and as appropriate thereafter, the President shall identify in, and, in the case of a foreign person or foreign entity not already so designated, shall designate for inclusion in the Annex to Ex-

ecutive Order 13382 (70 Fed. Reg. 38567; relating to blocking property of weapons of mass destruction proliferators and their supporters) and shall apply all applicable sanctions of the United States pursuant to Executive Order 13382 to each foreign person or foreign entity for which there is a reasonable basis for determining that the person or entity is as an agent, alias, front, instrumentality, official, or affiliate of Iran's Islamic Revolutionary Guard Corps or is an individual serving as a representative of Iran's Islamic Revolutionary Guard Corps.

(b) PRIORITY FOR INVESTIGATION.—In carrying out this section, the President shall give priority to investigating foreign persons and foreign entities identified under section 560.304 of title 31, Code of Federal Regulations (relating to the definition of the Government of Iran) and foreign persons and foreign entities for which there is a reasonable basis to suspect that the person or entity has conducted or attempted to conduct one or more sensitive transactions or activities described in subsection (c).

(c) SENSITIVE TRANSACTION OR ACTIVITY.—A sensitive transaction or activity referred to in subsection (b) is—

(1) a transaction to facilitate the manufacture, import, export, or transfer of items needed for the development of nuclear, chemical, biological, or ad-

vanced conventional weapons, including ballistic missiles;

(2) an attempt to interfere in the internal affairs of Iraq or Afghanistan, or equip or train, or encourage violence by, individuals or groups opposed to the governments of those countries;

(3) a transaction relating to the manufacture, procurement, or sale of goods, services, and technology relating to Iran's energy sector, including the development of the energy resources of Iran, export of petroleum products, and import of refined petroleum and refining capacity available to Iran;

(4) a transaction relating to the procurement of sensitive technologies (as defined in section 106(c) of the Comprehensive Iran Sanctions, Accountability, and Divestment Act of 2010 (Public Law 111–195; 22 U.S.C. 8515(c)); or

(5) a financial transaction or series of transactions valued at more than $1,000,000 in the aggregate in any 12-month period involving a non-Iranian financial institution.

(d) INADMISSIBILITY TO UNITED STATES.—The Secretary of State shall deny a visa to, and the Secretary of Homeland Security shall deny admission into the United States to, any alien who, on or after the date of the enact-

ment of this Act, is a foreign person designated for inclusion in the Annex to Executive Order 13382 pursuant to subsection (a).

(e) RULE OF CONSTRUCTION.—Nothing in this section shall be construed to remove any sanction of the United States in force against Iran's Islamic Revolutionary Guard Corps as of the date of the enactment of this Act by reason of the fact that Iran's Islamic Revolutionary Guard Corps is an entity of the Government of Iran.

SEC. 304. MEASURES AGAINST FOREIGN PERSONS OR ENTITIES SUPPORTING IRAN'S ISLAMIC REVOLUTIONARY GUARD CORPS.

(a) IDENTIFICATION AND NOTIFICATION.—The President shall notify the appropriate congressional committees in any case in which the President determines that there is credible information indicating that a foreign person or foreign entity, on or after the date of the enactment of this Act, knowingly—

(1) provides material support to Iran's Islamic Revolutionary Guard Corps or any person or entity that identified pursuant to section 201(a) of this Act as an agent, alias, front, instrumentality, official, or affiliate of Iran's Islamic Revolutionary Guard Corps

or an individual serving as a representative of Iran's Islamic Revolutionary Guard Corps; or

(2) conducts any commercial transaction or financial transaction with Iran's Islamic Revolutionary Guard Corps or any such person or entity.

(b) WAIVER.—

(1) IN GENERAL.—Notwithstanding any other provision of this title and subject to paragraph (2), the President is not required to make any identification or designation of or determination with respect to a foreign person or foreign entity for purposes of this title if doing so would cause damage to the national security of the United States through the divulgence of sources and methods of intelligence or other critical classified information.

(2) NOTICE TO CONGRESS.—The President shall notify Congress of any exercise of the authority of paragraph (1) and shall include in the notification an identification of the foreign person or foreign entity, including a description of the activity or transaction that would have caused the identification, designation, or determination for purposes of this title.

(c) SANCTIONS.—

(1) IN GENERAL.—The President shall apply to each foreign person or foreign entity identified in a

notice under subsection (a) for a period determined by the President a majority of the sanctions described in section 106(a) of this Act.

(2) TERMINATION.—The President may terminate the sanctions applied to a foreign person or foreign entity pursuant to paragraph (1) if the President determines that the person or entity no longer engages in the activity or activities for which the sanctions were imposed and has provided assurances to the United States Government that it will not engage in the activity or activities in the future.

(d) IEEPA SANCTIONS.—The President may exercise the authorities provided under section 203(a) of the International Emergency Economic Powers Act (50 U.S.C. 1702(a)) to impose additional sanctions on each foreign person or foreign entity identified pursuant to subsection (a), for such time as the President may determine, without regard to section 202 of that Act.

(e) WAIVER.—The President may waive the application of any measure described in subsection (c) with respect to a foreign person or foreign entity if the President—

(1)(A) determines that the person or entity has ceased the activity that resulted in the notification under subsection (a) with respect to the person or

entity (as the case may be) and has taken measures to prevent its recurrence; or

(B) determines and so reports to the appropriate congressional committees 15 days prior to the exercise of waiver authority that failure to exercise such waiver authority would pose an unusual and extraordinary threat to the vital national security interests of the United States; and

(2) submits to the appropriate congressional committees a report that contains the reasons for the determination.

(f) FOREIGN PERSON DEFINED.—In this section, the term "foreign person" has the meaning given the term in section 112 of this Act.

SEC. 305. SPECIAL MEASURES AGAINST FOREIGN COUNTRIES SUPPORTING IRAN'S ISLAMIC REVOLUTIONARY GUARD CORPS.

(a) SANCTIONS.—With respect to any foreign entity identified pursuant to section 304(a) of this Act that is an agency of the government of a foreign country, the President shall, in addition to applying to the entity the sanctions described in section 304(c) of this Act, apply to the agency of the government of the foreign country the following measures:

(1) No assistance shall be provided to the agency of the government of the foreign country under the Foreign Assistance Act of 1961, or any successor Act, or the Arms Export Control Act, or any successor Act, other than assistance that is intended to benefit the people of the foreign country directly and that is not provided through governmental agencies or entities of the foreign country.

(2) The United States shall oppose any loan or financial or technical assistance to the agency of the government of the foreign country by international financial institutions in accordance with section 701 of the International Financial Institutions Act (22 U.S.C. 262d).

(3) The United States shall deny to the agency of the government of the foreign country any credit or financial assistance by any department, agency, or instrumentality of the United States Government.

(4) The United States Government shall not approve the sale to the agency of the government of the foreign country any defense articles or defense services or issue any license for the export of items on the United States Munitions List.

(5) No exports to the agency of the government of the foreign country shall be permitted of any

goods or technologies controlled for national security reasons under the Export Administration Regulations.

(6) Restrictions shall be imposed on the importation into the United States of articles that are the growth, product, or manufacture of the agency of the government of the foreign country.

(7) At the earliest practicable date, the Secretary of State shall terminate, in a manner consistent with international law, the authority of any air carrier that is controlled in fact by the agency of the government of the foreign country to engage in air transportation (as defined in section 40102(5) of title 49, United States Code).

(b) TERMINATION.—The President may terminate the sanctions applied to an entity or government of a foreign country pursuant to subsection (a) if the President determines that the entity or government, as the case may be, no longer engages in the activity or activities for which the sanctions were imposed and has provided assurances to the United States Government that it will not engage in the activity or activities in the future.

(c) WAIVER.—The President may waive the application of any measure described in subsection (a) with re-

spect to an entity or government of a foreign country if the President—

(1)(A) determines that the entity or government, as the case may be, has ceased the activity that resulted in the notification under section 304(a) of this Act with respect to the entity or government and has taken measures to prevent its recurrence; or

(B) determines and so reports to the appropriate congressional committees 15 days prior to the exercise of waiver authority that failure to exercise such waiver authority would pose an unusual and extraordinary threat to the vital national security interests of the United States; and

(2) submits to the appropriate congressional committees a report that contains the reasons for the determination.

SEC. 306. AUTHORITY OF STATE AND LOCAL GOVERNMENTS TO RESTRICT CONTRACTS OR LICENSES FOR CERTAIN SANCTIONABLE PERSONS.

Notwithstanding any other provision of law, a State or local government may adopt and enforce measures to prohibit the State or local government, as the case may be, from entering into or renewing any contract with, or granting to or renewing any license for persons that con-

duct business operations in Iran described in section 310 of this Act.

SEC. 307. IRANIAN ACTIVITIES IN IRAQ AND AFGHANISTAN.

(a) FREEZING OF ASSETS.—In accordance with subsection (b), all property and interests in property of the foreign persons described in Executive Orders 13382 and 13224, or their affiliates, that are in the United States, that on or after the date of the enactment of this Act come within the United States, or that on or after the date of the enactment of this Act come within the possession or control of United States persons, are blocked and may not be transferred, paid, exported, withdrawn, or otherwise dealt in with respect to any such person determined by the Secretary of State, in consultation with the Secretary of the Treasury and the Secretary of Defense to—

(1) have committed, or to pose a significant risk of committing, an act or acts of violence that have the purpose or effect of threatening United States efforts to promote security and stability in Iraq and Afghanistan;

(2) have knowingly and materially assisted, sponsored, or provided financial, material, logistical, or technical support for, or goods or services in support of, such an act or acts of violence or any person

or entity whose property and interests in property are blocked pursuant this subsection; or

(3) be owned or controlled by, or to have acted or purported to act for or on behalf of any person whose property and interests in property are blocked pursuant to this subsection.

(b) DESCRIPTION OF PROHIBITIONS.—The prohibitions described in subsection (a) include—

(1) the making of any contribution or provision of funds, goods, or services by, to, or for the benefit of any person whose property and interests in property are blocked; and

(2) the receipt of any contribution or provision of funds, goods, or services from any such person.

(c) STATEMENT OF POLICY.—An increase in both the quantity and quality of Iranian arms shipments and technological expertise to the Iraqi insurgents, the Taliban, other terrorist organizations, and criminal elements has the potential to significantly change the battlefield in both Iraq and Afghanistan, and lead to a large increase in United States, International Security Assistance Force, Coalition, and Iraqi and Afghan casualties.

(d) DEFINITIONS.—In this section, the terms "foreign person" and "United States person" have the meanings given such terms in section 112 of this Act.

SEC. 308. UNITED STATES POLICY TOWARD IRAN.

(a) NATIONAL STRATEGY REQUIRED.—The President shall develop a strategy, to be known as the "National Strategy to Counter Iran", that provides strategic guidance for activities that support the objective of addressing, countering, and containing the threats posed by Iran.

(b) ANNUAL REPORT.—

(1) IN GENERAL.—Not later than January 30 of each year, the President shall transmit to the appropriate congressional committees a report on the current and future strategy of the United States toward Iran, and the implementation of the National Strategy to Counter Iran required under subsection (a).

(2) FORM.—If the President considers it appropriate, the report required under this subsection, or appropriate parts thereof, may be transmitted in classified form.

(c) MATTERS TO BE INCLUDED.—The report required under subsection (b) shall include a description of the security posture and objectives of Iran, including at least the following:

(1) A description and assessment of Iranian grand strategy and security strategy, including—

(A) the goals of Iran's grand strategy and security strategy, and strategic objectives; and

(B) Iranian strategy to achieve such objectives in the Middle East, Europe, Africa, Western Hemisphere, and Asia.

(2) An assessment of the capabilities of Iran's conventional forces and Iran's unconventional forces, including—

(A) the size and capabilities of Iran's conventional forces and Iran's unconventional forces;

(B) an analysis of the formal and informal national command authority for Iran's conventional forces and Iran's unconventional forces;

(C) the size and capability of Iranian foreign and domestic intelligence and special operations units, including the Iranian Revolutionary Guard Corps-Quds Force;

(D) a description and analysis of Iranian military doctrine;

(E) the types and amount of support, including funding, lethal and nonlethal supplies, and training, provided to groups designated by the United States as foreign terrorist organizations and regional militant groups; and

(F) an estimate of the levels of funding and funding and procurement sources by Iran to develop and support Iran's conventional forces and Iran's unconventional forces.

(3) An assessment of Iranian strategy and capabilities related to nuclear, unconventional, and missile forces development, including—

(A) a summary and analysis of nuclear weapons capabilities;

(B) an estimate of the amount and sources of funding expended by, and an analysis of procurement networks utilized by, Iran to develop its nuclear weapons capabilities;

(C) a summary of the capabilities of Iran's unconventional weapons and Iran's ballistic missile forces and Iran's cruise missile forces, including developments in the preceding year, the size of Iran's ballistic missile forces and Iran's cruise missile forces, and the locations of missile launch sites;

(D) a detailed analysis of the effectiveness of Iran's unconventional weapons and Iran's ballistic missile forces and Iran's cruise missile forces; and

(E) an estimate of the amount and sources of funding expended by, and an analysis of procurement networks utilized by, Iran on programs to develop a capability to develop unconventional weapons and Iran's ballistic missile forces and Iran's cruise missile forces.

(4) The Government of Iran's economic strategy, including—

(A) sources of funding for the activities of the Government of Iran described in this section;

(B) the role of the Government of Iran in the formal and informal sector of the domestic Iranian economy;

(C) evasive and other efforts by the Government of Iran to circumvent international and bilateral sanctions regimes;

(D) the effect of bilateral and multilateral sanctions on the ability of Iran to implement its grand strategy and security strategy described in paragraph (1); and

(E) Iran's strategy and efforts to leverage economic and political influence, cooperation, and activities in the Middle East Europe, Africa, Western Hemisphere, and Asia.

(5) Key vulnerabilities identified in paragraph (1), and an implementation plan for the National Strategy to Counter Iran required under subsection (a).

(6) The United States strategy to—

(A) address and counter the capabilities of Iran's conventional forces and Iran's unconventional forces;

(B) disrupt and deny Iranian efforts to develop or augment capabilities related to nuclear, unconventional, and missile forces development;

(C) address the Government of Iran's economic strategy to enable the objectives described in this subsection; and

(D) exploit key vulnerabilities identified in this subsection.

(7) An implementation plan for United States strategy described in under paragraph (6).

(d) CLASSIFIED ANNEX.—The reports required under subsection (b) shall be in unclassified form to the greatest extent possible, and may include a classified annex where necessary.

SEC. 309. DEFINITIONS.

In this title:

(1) APPROPRIATE CONGRESSIONAL COMMITTEES.—The term "appropriate congressional committees" means—

(A) the Committee on Foreign Affairs, the Committee on Armed Services, the Committee on Appropriations, and the Permanent Select Committee on Intelligence of the House of Representatives; and

(B) the Committee on Foreign Relations, the Committee on Armed Services, the Committee on Appropriations, and the Permanent Select Committee on Intelligence of the Senate.

(2) IRAN'S BALLISTIC MISSILE FORCES.—The term "Iran's ballistic missile forces" includes ballistic missiles, goods, and associated equipment and those elements of the Government of Iran that employ such ballistic missiles, goods, and associated equipment.

(3) IRAN'S BALLISTIC MISSILE AND UNCONVENTIONAL WEAPONS.—The term "Iran's ballistic missile and unconventional weapons" means Iran's ballistic missile forces and chemical, biological, and radiological weapons programs.

(4) IRAN'S CRUISE MISSILE FORCES.—The term "Iran's cruise missile forces" includes cruise missile

forces, goods, and associated equipment and those elements of the Government of Iran that employ such cruise missiles capable of flights less than 500 kilometers, goods, and associated equipment.

(5) IRAN'S CONVENTIONAL FORCES.—The term "Iran's conventional forces"—

(A) means military forces of Iran designed to conduct operations on sea, air, or land, other than Iran's unconventional forces and Iran's ballistic missile forces and Iran's cruise missile forces; and

(B) includes Iran's Army, Air Force, Navy, domestic law enforcement, and elements of the Iran's Islamic Revolutionary Guard Corps, other than Iran's Islamic Revolutionary Guard Corps-Quds Force.

(6) IRAN'S UNCONVENTIONAL FORCES.—The term "Iran's unconventional forces"—

(A) means forces of Iran that carry out missions typically associated with special operations forces; and

(B) includes—

(i) the Iran's Islamic Revolutionary Guard Corps-Quds Force;

(ii) paramilitary organizations;

(iii) formal and informal intelligence agencies and entities; and

(iv) any organization that—

(I) has been designated as a foreign terrorist organization under section 219(a) of the Immigration and Nationality Act (8 U.S.C. 1189(a));

(II) receives assistance from Iran; and

(III) is assessed—

(aa) as being willing in some or all cases of carrying out attacks on behalf of Iran; or

(bb) as likely to carry out attacks in response to an attack by another country on Iran or its interests.

(7) AFFILIATE.—The term "affiliate" means any individual or entity that controls, is controlled by, or is under common control with, the company, including without limitation direct and indirect subsidiaries of the company.

(8) BUSINESS OPERATIONS.—The term "business operations" means—

(A) carrying out any of the activities described in section 105(a) and (b) of this Act that are sanctionable under such section;

(B) providing sensitive technology (as defined in section 106(c) of the Comprehensive Iran Sanctions, Accountability, and Divestment Act of 2010 (Public Law 111–195; 22 U.S.C. 8515(c))) to the Government of Iran; and

(C) carrying out any of the activities described in section 304(a) of this Act .

(9) COMPANY.—The term "company" means—

(A) a sole proprietorship, organization, association, corporation, partnership, limited liability company, venture, or other entity, its subsidiary or affiliate; and

(B) includes a company owned or controlled by the government of a foreign country, that is established or organized under the laws of, or has its principal place of business in, such foreign country and includes United States subsidiaries of the same.

(10) ENTITY.—The term "entity" means a sole proprietorship, a partnership, limited liability corporation, association, trust, joint venture, corporation, or other organization.

(11) EXECUTIVE AGENCY.—The term "executive agency" has the meaning given the term in section 133 of title 41, United States Code.

(12) FEDERAL FUNDS.—The term "Federal funds" means a sum of money or other resources derived from United States taxpayers, which the United States Government may provide to companies through government grants or loans, or through the terms of a contract with the Federal Government, or through the Emergency Economic Stabilization Act of 2008 "Troubled Asset Relief Program" or other similar and related transaction vehicles, including a grant, loan, or loan guarantee, the provision of insurance or reinsurance, or the provision of technical assistance.

(13) GOVERNMENT OF IRAN.—The term "Government of Iran" includes the Government of Iran, any political subdivision, agency, or instrumentality thereof, and any person owned or controlled by, or acting for or on behalf of, the Government of Iran.

(14) PETROLEUM RESOURCES.—The term "petroleum resources" has the meaning given the term in section 112 of this Act.

(15) SENSITIVE TECHNOLOGY.—The term "sensitive technology" has the meaning given the

term in section 106(c) of the Comprehensive Iran Sanctions, Accountability, and Divestment Act of 2010 (Public Law 111–195; 22 U.S.C. 8515(c)).

SEC. 310. RULE OF CONSTRUCTION.

Nothing in this title shall be construed to limit the authority of the President to otherwise designate foreign persons or foreign entities for inclusion in the Annex to Executive Order 13382 (70 Fed. Reg. 38567; relating to blocking property of weapons of mass destruction proliferators and their supporters).

TITLE IV—IRAN FINANCIAL SANCTIONS; DIVESTMENT FROM CERTAIN COMPANIES THAT INVEST IN IRAN; AND PREVENTION OF DIVERSION OF CERTAIN GOODS, SERVICES, AND TECHNOLOGIES TO IRAN

SEC. 401. IRAN FINANCIAL SANCTIONS.

(a) FINANCIAL INSTITUTION CERTIFICATION.—Section 104(e) of the Comprehensive Iran Sanctions, Accountability, and Divestment Act of 2010 (Public Law 111–195; 22 U.S.C. 8513(e)) is amended by adding at the end the following new paragraph:

"(3) CERTIFICATION.—Not later than 90 days after the date of the enactment of this paragraph, the Secretary of the Treasury shall prescribe regulations to require any person owned or controlled by a domestic financial institution to provide positive certification to the Secretary that such person is not engaged in corresponding relations or business activity with a foreign person or financial institution that facilitates transactions from persons and domestic financial institutions described in subsection (d).".

(b) REPORT ON THE ACTIVITIES OF THE CENTRAL BANK OF IRAN.—Section 104 of the Comprehensive Iran Sanctions, Accountability, and Divestment Act of 2010 is amended—

(1) by redesignating subsection (i) as subsection (j); and

(2) by inserting after subsection (h) the following new subsection:

"(i) REPORT ON THE ACTIVITIES OF THE CENTRAL BANK OF IRAN.—

"(1) IN GENERAL.—Not later than 90 days after the date of the enactment of this subsection and annually thereafter, the Secretary of State, in consultation with the Secretary of the Treasury, shall submit to Congress a report on how the activi-

ties of the Central Bank of Iran facilitate Iran's efforts to acquire nuclear weapons capabilities, unconventional weapons and ballistic and cruise missile development, and activities as a designated state sponsor of terrorism.

"(2) FORM.—The reports required under this subsection shall be submitted in unclassified form and may contain a classified annex.".

(c) CONTINUATION IN EFFECT.—Sections 104, 106, 107, 108, 109, 110, 111, and 115 of the Comprehensive Iran Sanctions, Accountability, and Divestment Act of 2010 shall remain in effect until the President makes the certification described in section 606(a) of this Act.

SEC. 402. DIVESTMENT FROM CERTAIN COMPANIES THAT INVEST IN IRAN.

Title II of the Comprehensive Iran Sanctions, Accountability, and Divestment Act of 2010 shall remain in effect until the President makes the certification described in section 606(a) of this Act.

SEC. 403. PREVENTION OF DIVERSION OF CERTAIN GOODS, SERVICES, AND TECHNOLOGIES TO IRAN.

Title III of the Comprehensive Iran Sanctions, Accountability, and Divestment Act of 2010 shall remain in effect until the President makes the certification described in section 606(a) of this Act.

TITLE V—SECURITIES AND EXCHANGE COMMISSION

SEC. 501. DISCLOSURES TO THE SECURITIES AND EXCHANGE COMMISSION RELATING TO SANCTIONABLE ACTIVITIES.

(a) IN GENERAL.—Section 13 of the Securities Exchange Act of 1934 (15 U.S.C. 78m) is amended by adding at the end the following new subsection:

"(r) DISCLOSURE OF CERTAIN ACTIVITIES RELATING TO IRAN, TERRORISM, AND THE PROLIFERATION OF WEAPONS OF MASS DESTRUCTION.—

"(1) GENERAL DISCLOSURE REQUIRED.—Each issuer required to file an annual or quarterly report under subsection (a) shall include with such report a statement of whether, during the period since the issuer made the last such report, the issuer or any affiliate of the issuer—

"(A) engaged in an activity described in section 105 of the Iran Threat Reduction Act of 2011;

"(B) knowingly engaged in an activity described in subsection (c)(2) of section 104 of the Comprehensive Iran Sanctions, Accountability, and Divestment Act of 2010 (Public Law 111–195; 22 U.S.C. 8513) or knowingly

violated regulations prescribed under subsection (d)(1) or (e)(1) of such section 104; or

"(C) knowingly conducted any transaction or dealing with—

"(i) any person the property and interests in property of which are blocked pursuant to Executive Order 13224 (66 Fed. Reg. 49079; relating to blocking property and prohibiting transacting with persons who commit, threaten to commit, or support terrorism);

"(ii) any person the property and interests in property of which are blocked pursuant to Executive Order 13382 (70 Fed. Reg. 38567; relating to blocking of property of weapons of mass destruction proliferators and their supporters); or

"(iii) any person on the list contained in Appendix A to part 560 of title 31, Code of Federal Regulations (commonly known as the 'Iranian Transactions Regulations').

"(2) SPECIFIC DISCLOSURE REQUIRED.—If an issuer reports under paragraph (1) that the issuer or an affiliate of the issuer has engaged in any activity

described in that paragraph, the issuer shall include with the statement required under that paragraph a detailed description of each such activity, including—

"(A) the nature and extent of the activity;

"(B) the revenues and profits, if any, attributable to the activity; and

"(C) whether the issuer or the affiliate of the issuer (as the case may be) intends to continue the activity.

"(3) INVESTIGATION OF DISCLOSURES.—When the Commission receives a report under paragraph (1) from an issuer that the issuer or an affiliate of the issuer has engaged in any activity described in that paragraph, the President shall—

"(A) initiate an investigation into the possible imposition of sanctions under the Iran Threat Reduction Act of 2011, section 104 of the Comprehensive Iran Sanctions, Accountability, and Divestment Act of 2010 (22 U.S.C. 8513), the Executive Orders or regulations specified in paragraph (1)(C), or any other provision of law; and

"(B) not later than 180 days after initiating such an investigation, make a determina-

tion with respect to whether sanctions should be imposed with respect to the issuer or the affiliate of the issuer (as the case may be).

"(4) PUBLIC DISCLOSURE OF INFORMATION.—The Commission shall promptly—

"(A) make the information provided to the Commission under paragraphs (1) and (2) available to the public by posting the information on the Internet Web site of the Commission; and

"(B) provide a copy of that information to—

"(i) the President;

"(ii) the Committee on Foreign Affairs and the Committee on Financial Services of the House of Representatives; and

"(iii) the Committee on Foreign Relations and the Committee on Banking, Housing, and Urban Affairs of the Senate.

"(5) SUNSET.—The provisions of this subsection shall terminate on the date that is 30 days after the date on which the President makes the certification described in section 401(a) of the Com-

prehensive Iran Sanctions, Accountability, and Divestment Act of 2010 (22 U.S.C. 8551(a)).".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect with respect to reports required to be filed with the Securities and Exchange Commission after the date that is 90 days after the date of the enactment of this Act.

TITLE VI—GENERAL PROVISIONS

SEC. 601. DENIAL OF VISAS FOR CERTAIN PERSONS OF THE GOVERNMENT OF IRAN.

(a) IN GENERAL.—Except as necessary to meet United States obligations under the Agreement between the United Nations and the United States of America regarding the Headquarters of the United Nations, signed June 26, 1947, and entered into force November 21, 1947, and other applicable international treaty obligations, the Secretary of State shall deny a visa to, and the Secretary of Homeland Security shall deny admission into the United States to, a person of the Government of Iran pursuant to section 6(j)(1)(A) of the Export Administration Act of 1979 (as in effect pursuant to the International Emergency Economic Powers Act; 50 U.S.C. 1701 et seq.), section 40(d) of the Arms Export Control Act (22 U.S.C. 2780(d)), and section 620A of the Foreign

Assistance Act of 1961 (22 U.S.C. 2371), including a person who is a senior official of the Government of Iran who is specified in the list under section 205(a)(1), if the Secretary determines that such person—

(1) is an agent, instrumentality, or official of, is affiliated with, or is serving as a representative of the Government of Iran; and

(2) presents a threat to the United States or is affiliated with terrorist organizations.

(b) RESTRICTION ON MOVEMENT.—The Secretary of State shall restrict in Washington, D.C., and at the United Nations in New York City, the travel to only within a 25-mile radius of Washington, D.C., or the United Nations headquarters building, respectively, of any person identified in subsection (a).

(c) RESTRICTION ON CONTACT.—No person employed with the United States Government may contact in an official or unofficial capacity any person that—

(1) is an agent, instrumentality, or official of, is affiliated with, or is serving as a representative of the Government of Iran; and

(2) presents a threat to the United States or is affiliated with terrorist organizations.

(d) WAIVER.—The President may waive the requirements of subsection (c) if the President determines and

so reports to the appropriate congressional committees 15 days prior to the exercise of waiver authority that failure to exercise such waiver authority would pose an unusual and extraordinary threat to the vital national security interests of the United States.

SEC. 602. INADMISSIBILITY OF CERTAIN ALIENS WHO ENGAGE IN CERTAIN ACTIVITIES WITH RESPECT TO IRAN.

(a) IN GENERAL.—Section 212(a)(3) of the Immigration and Nationality Act (8 U.S.C. 1182(a)(3)) is amended by adding at the end the following:

"(H) INDIVIDUALS WHO ENGAGE IN CERTAIN ACTIVITIES WITH RESPECT TO IRAN.—

"(i) IN GENERAL.—Subject to clause (iii), any alien described in clause (ii) is inadmissible.

"(ii) ALIENS DESCRIBED.—An alien described in this clause is an alien who the Secretary of State determines—

"(I) engages in—

"(aa) an activity for which sanctions may be imposed pursuant to section 105(a) of the Iran Threat Reduction Act of 2011;

"(bb) an activity—

"(AA) relating to the proliferation by Iran of weapons of mass destruction or the means of delivery of such weapons; and

"(BB) for which sanctions may be imposed pursuant to Executive Order 13382 (70 Fed. Reg. 38567) (or any successor thereto);

"(cc) an activity—

"(AA) relating to support for international terrorism by the Government of Iran; and

"(BB) for which sanctions may be imposed pursuant to Executive Order 13224 (66 Fed. Reg. 49079) (or any successor thereto); or

"(dd) any other activity with respect to Iran for which sanctions may be imposed pursuant to any other provision of law;

"(II) is the chief executive officer, president, or other individual in charge of overall management of, a member of the board of directors of, or a shareholder with a controlling interest in, an entity that engages in an activity described in subclause (I); or

"(III) is a spouse or minor child of—

"(aa) an alien who engages in an activity described in subclause (I); or

"(bb) the chief executive officer, president, or other individual in charge of overall management of, a member of the board of directors of, or a shareholder with a controlling interest in, an entity that engages in an activity described in subclause (I).

"(iii) NOTICE; WAIVER WITH RESPECT TO CERTAIN ENTITIES.—

"(I) NOTICE.—The Secretary of State may notify an alien the Sec-

retary determines may be inadmissible under this subparagraph—

"(aa) that the alien may be inadmissible; and

"(bb) of the reason for the inadmissibility of the alien.

"(II) WAIVER.—The President may waive the application of this subparagraph and admit an alien to the United States if—

"(aa) the alien is described in subclause (II) or (III)(bb) of clause (ii);

"(bb) the entity that engaged in the activity that would otherwise result in the inadmissibility of the alien under this subparagraph is no longer engaging the activity or has taken significant steps toward stopping the activity; and

"(cc) the President has received reliable assurances that the entity will not knowingly en-

gage in an activity described in clause (ii)(I) again.".

(b) REGULATIONS.—Section 428 of the Homeland Security Act of 2002 (6 U.S.C. 236) is amended by adding at the end the following:

"(j) REGULATIONS WITH RESPECT TO INADMISSIBILITY OF ALIENS WHO ENGAGE IN CERTAIN TRANSACTIONS WITH IRAN.—Not later than 180 days after the date of the enactment of this subsection, the Secretary shall issue regulations and guidelines for interpreting and enforcing the prohibition under subparagraph (H) of section 212(a)(3) of the Immigration and Nationality Act (8 U.S.C. 1182(a)(3)) on the admissibility of aliens who engage in certain sanctionable activities with respect to Iran.".

SEC. 603. AMENDMENTS TO CIVIL AND CRIMINAL PENALTIES PROVISIONS UNDER THE INTERNATIONAL EMERGENCY ECONOMIC POWERS ACT.

(a) IN GENERAL.—Section 206 of the International Emergency Economic Powers Act (50 U.S.C. 1705) is amended—

(1) in subsection (a), by striking "attempt to violate, conspire to violate" and inserting "attempt or conspire to violate";

(2) in subsection (b), by striking "not to exceed" and all that follows and inserting "that is twice the value of the transaction that is the basis of the violation."; and

(3) in subsection (c) to read as follows:

"(c) CRIMINAL PENALTIES.—A person who willfully commits, attempts or conspires to commit, or aids or abets in the commission of, an unlawful act described in subsection (a) shall be fined not less than $1,000,000, imprisoned for not more than 20 years, or both. A person other than a natural person shall be fined in an amount not less than the greater of half of the value of the transaction that is the basis of the violation or $10,000,000.".

(b) EFFECTIVE DATE.—The amendments made by this section take effect on the date of the enactment of this Act and apply with respect to any violation of section 206(a) of the International Emergency Economic Powers Act (50 U.S.C. 1705(a)) that occurs on or after such date of enactment.

SEC. 604. EXCLUSION OF CERTAIN ACTIVITIES.

Nothing in this Act or any amendment made by this Act shall apply to any activities subject to the reporting requirements of title V of the National Security Act of 1947.

SEC. 605. REGULATORY AUTHORITY.

(a) IN GENERAL.—The President shall, not later than 90 days after the date of the enactment of this Act, promulgate regulations as necessary for the implementation of this Act and the amendments made by this Act.

(b) CONSULTATION WITH CONGRESS.—Not less than 10 days prior to the promulgation of regulations under subsection (a), the President shall notify the appropriate congressional committees of the proposed regulations and the provisions of this Act and the amendments made by this Act that the regulations are implementing.

SEC. 606. SUNSET.

(a) SUNSET.—The provisions of this Act and the amendments made by this Act shall terminate, and shall cease to be effective, on the date that is 30 days after the date on which the President certifies to Congress that Iran—

(1) has ceased and verifiably dismantled its efforts to design, develop, manufacture, or acquire—

(A) a nuclear explosive device or related materials and technology;

(B) chemical and biological weapons; and

(C) ballistic missiles and ballistic missile launch technology;

(2) no longer provides support for acts of international terrorism; and

109

(3) poses no threat to United States national security, interests, or allies.

(b) NOTIFICATION.—The President shall notify the Committee on Foreign Affairs of the House of Representatives and the Committee on Foreign Relations of the Senate not later than 15 days before making a certification described in subsection (a).

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Chairman ROS-LEHTINEN. I will now recognize myself for brief remarks on this measure, followed by the ranking member and then other members seeking recognition.

Today, the committee is marking up legislation to address the threat posed by the Iranian regime to our Nation, to our interests, and our allies. One Congress after another have passed Iran sanctions bills only to see them progressively weakened during the legislative process, or not fully enforced by the executive branch. Some might wonder if it is worth doing at all.

Well, yesterday, speaking in the so-called Iranian Parliament, the so-called President, Mahmoud Ahmadinejad, publicly admitted that sanctions against Iran were impacting his financial institutions, stating, "Our banks cannot make international transactions anymore." But there is much more to be done. We must move quickly to tighten existing sanctions and add new and tougher ones, as we are going to do today.

The Iranian regime's Achilles heel is its energy sector. As far back as 1995, former Under Secretary of State Peter Tarnoff stated, "A straight line links Iran's oil income and its ability to sponsor terrorism and build weapons of mass destruction . . . and any private company that helps Iran expand its oil [sector] must accept that it is indirectly contributing to this menace."

The Iran Threat Reduction Act is designed to clamp new and tougher sanctions on Iran's energy sector, threatening the regime's existence if it refuses to halt its nuclear weapons program.

Negotiations and concessions after concessions to the regime have only been met with contempt. For 15 years, foreign energy companies have continued to provide, through their investments in Iran's energy sector, the financial resources for the regime to continue to pursue its nuclear ambitions, its chemical and biological weapons program, and its sponsorship of international terrorism.

Fifteen years of pleading, 15 years of concessions have only allowed the Iranian threat to steadily build. In its report earlier this

year, the International Atomic Energy Agency all but stated outright that the evidence indicates that Iran is working on a nuclear weapons capability. We have wasted years, we have watched the threat develop, and now we must act before time runs out.

I am happy to say that H.R. 1905 has 343 cosponsors from both sides of the aisle, including most members of this committee. Given that you are familiar with the introduced bill, I will briefly note some of the provisions of the amendment in the nature of a substitute.

The amendment in the nature of a substitute amends Title I of the bill by including a requirement that all entities currently granted an exemption under the special rule terminate their activities 1 year from the date of the enactment; also, adding bartering to the list of prohibited services related to Iran's importation of refined petroleum; and requiring the President to impose sanctions on any person who purchases, subscribes to, or facilitates the issuance of Iranian sovereign debt.

The changes to Title II include requiring the Secretary of State to issue guidelines describing goods, services, and technologies considered as sensitive technologies; and expanding the definition of "foreign subsidiary" in existing Executive orders.

The amendment in the nature of a substitute sharpens Title III's intended impact on the Iranian Islamic Revolutionary Guard Corps, or IRGC, by adding prohibitions on conducting commercial or financial transactions or investment in entities controlled by the IRGC, sanctions against affiliates of the IRGC, and measures targeting foreign persons, entities, and foreign countries aiding the IRGC.

Finally, Title VI is strengthened by prohibiting foreigners who engage in certain activities with respect to Iran from entering the U.S. and increasing the civil and criminal penalties under the International Emergency Economic Powers Act.

Following the markup, I will seek speedy consideration of this legislation on the House floor. I hope that the Senate will act with similar urgency on this, or any bill actually, so that we can proceed to conference quickly and have these bills on the President's desk in time to hand the regime a nice holiday present.

I now turn to my friend, the ranking member, for the remarks that he would like to make on this bill and the one other bill, as well. Mr. Berman is recognized.

Mr. BERMAN. Well, thank you very much, Madam Chairman. And I apologize in advance for the length of this statement, but, first, I would like to begin by commending you and your staff for the hard work, the creativity, the cooperative spirit you have brought to our joint effort to produce a strong bill. I also thank members on both sides of the aisle for their efforts and ideas geared toward improving this bill and strengthening our overall sanctions regime on Iran.

Madam Chairman, last year, the President signed into law our Comprehensive Iran Sanctions Accountability and Divestment Act, CISADA. This law provided the tools for the administration to impose strengthened sanctions against companies that support Iran's energy sector and against financial institutions that support Iran's Islamic Revolutionary Guard Corps.

That bill has been effective in many ways. It has impeded Iran's access to international financial markets, as Iranian President Ahmadinejad acknowledged yesterday. And it has led every major Western energy company to draw down its Iran operations. It has also laid the groundwork for the EU to oppose tough sanctions.

Yet, as I have said previously, nothing that we do or that the administration has done can be deemed truly effective until Iran ends its nuclear weapons program and stops supporting terrorism. And we know that Iran is continuing to increase its stockpile of low-enriched uranium and make progress in other ways toward a nuclear weapons capability. Accordingly, we must now seek to strengthen sanctions significantly.

The bill we are marking up today, the Iran Threat Reduction Act, builds on past efforts by restricting the terms on which a company can pledge to end its work in Iran as an alternative to sanctions, expanding the types of activities that trigger Presidential investigations of potentially sanctionable activity, and widening the scope of sanctions on human rights abusers.

I also want to make clear my view that nothing in this bill should limit in any way the President's ability to conduct diplomacy as he sees fit.

For now, I would like to focus on two of the measures which, with the chairman's cooperation, I added to this amendment in the nature of a substitute. And then I would like to discuss briefly the amendment I plan on offering this morning.

One of the measures I included in the substitute would restrict foreign subsidiaries of U.S. companies from engaging in business with Iran, making them subject to the same sanctions as their parent U.S.-based company. We wanted to do this in CISADA, but the other house wasn't too excited about that prospect. We hope now we can move forward on this. The notion that a foreign subsidiary of a U.S. company can conduct business that would be sanctionable in the U.S., conduct business that U.S. National security interests prevent the U.S. company itself from conducting, undermines our efforts to prevent Iran from achieving a nuclear weapons capability.

We should never allow the slightest bit of doubt as to our seriousness of purpose regarding our efforts to prevent Iran from achieving a nuclear weapons capability. That is why we have to bring the behavior of foreign subsidiaries of U.S. companies into line with U.S. practice. When U.S. companies allow their foreign subsidiaries to sell Iran materials that are prohibited under U.S. law, those companies are violating the spirit of our sanctions regime. Once this bill becomes law, such behavior will be a violation of the letter of the law, as well.

Another measure included in the substitute would impose sanctions on foreign commercial enterprises that do business with the Iran Revolutionary Guard Corps. In CISADA, we established a sanction regime for foreign banks that conduct business or facilitate sanctions transactions with the IRGC. Given the prominent role that the IRGC plays in the Iranian economy, we believe that sanction has had a significant impact. Now we need to widen the net to extend the prohibition to all commercial enterprises.

Among its terrorist activities, we all know, is the recent plot to assassinate the Saudi Ambassador to the United States that was carried out by the Quds Force, which is the IRGC's special operations force. There should be consequences for this type of behavior, and I believe the international community must stand up against this threat. This measure will give foreign companies incentive to do that.

And, finally, the amendment that I will be offering shortly would sanction the Central Bank of Iran if it is found to be engaged in facilitating WMD development, terrorism, or any type of support for the IRGC. In fact, I believe the Central Bank of Iran is not only engaging in those activities, I believe it is the ultimate engine of those activities. We will need to work with our global partners to make a sanction on the Central Bank as effective as possible. Our hope is that an economically challenged Iran will have less money to spend on weapons of mass destruction, terrorism, and other nefarious activities.

By all accounts, Madam Chairman, the sanctions we passed last year have made life difficult for the Iranians. But oil prices remain high, a lifesaver of the Iranian economy. They continue to increase its stockpile of enriched uranium, and it is increasing at increasingly higher levels. The nuclear clock is moving ever closer to midnight. We can't nibble around the edges. We need a sanctions regime that is as bold as the Iranian nuclear program is brazen. Our legislation, fortified by sanctions on the Central Bank of Iran, is an important step in that direction.

And I thank the chairman for the time.

Chairman ROS-LEHTINEN. Thank you very much, Mr. Berman.

And our speaking clock is ticking, as well, but I would like to recognize any member seeking recognition to speak on the underlying bill and the amendment in the nature of a substitute.

Mr. Deutch is recognized.

Mr. DEUTCH. Thank you, Madam Chairman. I would like to take a moment to thank you and Ranking Member Berman for your efforts to bring this bill together and move forward with such strong bipartisan support.

For the past year, the historic turmoil in the Middle East threatens to leave one nation emboldened and empowered, Iran. Iran's surrogates have gained influence, with Hezbollah taking full control of the government in Lebanon, and Hamas, a terrorist organization responsible for perpetrating attacks that just this year have included the slaughter of children and their parents in Itamar and the direct targeting of a school bus in southern Israel, signing a unity agreement with Fatah.

Increased terror attacks are only part of the Iranian framework for expanded influence. Through it all, Iran continues its illicit pursuit of nuclear weapons. In fact, the IAEA is expected to release a report this month providing greater detail on potential military dimensions of Iran's nuclear program. The IAEA director general publicly stated he is increasingly concerned about activities related to the development of a nuclear payload for missile.

Additionally, we know the regime plans to triple its output of 20-percent-enriched uranium under the guise of powering a medical research reactor. The regimeis installing advanced centrifuges at

an underground facility. It has shown time and again that it is not willing to grant international inspectors full access to all of its facilities. And we know that it is only a short jump from 20 percent to the 90-percent enrichment needed to produce a nuclear weapon. Iran continues to defy international law, continues to look for ways to evade sanctions, and continues to move closer toward weaponization.

But U.S. and international sanctions have shown they can successfully bring great pressure on the Iranian economy. The regime has felt the squeeze of $60 billion of lost investments in its energy sector, and we must seize this opportunity to tighten even further the economic noose on Iran before the regime makes its ultimate move toward weaponization. This bill will close loopholes that have made it easier for companies to continue to conduct business with Iran. And, most importantly, it will take greater action in identifying those companies for all the world to see.

Madam Chairman, I would like to thank you for working with me to include provisions of the Iran Transparency and Accountability Act in this bill. These new requirements put the onus of determining the extent and nature of a company's involvement in Iran on that company or its subsidiary if traded on U.S. stock exchanges by requiring the disclosure of all material business with Iran on SEC filings. This forced disclosure would ease the burden of proof on the State Department and would accelerate the imposition of sanctions on those companies. It will also give American investors the opportunity to decide whether their hard-earned money will go toward supporting countries and companies that choose to put profit over international security.

This legislation also includes mandatory sanctions on those who perpetrate the most egregious human rights abuses. This regime's use of intimidation and excessive force to suppress its opposition must be stopped, and the United States must stand with the people of Iran in their quest for democracy and freedom. This bill helps to reaffirm our commitment to them.

We must, Madam Chairman, continue to escalate the pressure on the Iranian regime. We must make it clear to not only the regime but to the Iranian people striving for democracy and human rights that we are serious, we are determined, and we are aggressive in our approach to halt Iran's illegal, destabilizing, and dangerous pursuit of weapons of mass destruction.

Again, Madam Chairman, to you and to the ranking member, I thank you for your great work on this bill. And I yield back the balance of my time.

Chairman ROS-LEHTINEN. Thank you very much, Mr. Deutch. And it was our honor to put your provisions in our bill, which further strengthens it. So thank you for your contributions.

And I apologize to Mr. Smith, who—I did not recognize his baseball signals. I should have gone to him first. Mr. Smith of New Jersey is recognized.

Mr. SMITH. Thank you very much, Madam Chair. And, again, I want to congratulate you and the ranking member in bringing this extraordinarily important legislation before the committee, and hopefully it will become law.

It is abundantly clear that Iran is a nation that pursues its interests with ruthless disregard of others, especially Israel, and without any kind of international cooperation. Over the last three decades, Iran has portrayed itself as a nation in need of nuclear power. With the cover provided by less-than-diligent international officials and the assistance of nations eager to profit from Iran's passionate pursuit of nuclear capability, Iran has been furiously developing its nuclear capabilities. There are at least 17 confirmed or suspected nuclear processing, research, or storage sites reportedly operating in Iran as we consider this legislation.

The recently foiled Iranian plot to assassinate the Saudi Ambassador to the U.S. and to bomb the Saudi and Israeli Embassies here in Washington demonstrates the urgent need to abandon the illusion of the effectiveness of more measured sanctions. Iran has been listed by the State Department as a State Sponsor of Terrorism since 1984, and there is ample evidence of Iranian support for attacks on American troops in Iraq.

Under the circumstances, we can no longer depend on incremental ratcheting of pressure on Iran to halt its nuclear bomb ambitions. Iran poses too great a danger without nuclear weapons, and H.R. 1905 gives us further tools to protect our interests and our very livelihood and lives against a renegade nuclear Iran.

Again, I thank you for this extraordinarily important legislation and yield back.

Chairman ROS-LEHTINEN. I thank the gentleman.

Mr. Sherman is recognized.

Mr. SHERMAN. Madam Chair, thank you for your work in bringing this bill, combining the best ideas from so many members and, of course, your own into a bill that will be another important step toward dissuading Iran from developing nuclear weapons. We have to create a circumstance where the regime in Tehran has to choose between its nuclear weapons program and regime survival.

We owe a special debt of gratitude to the mullahs who run Iran because it is their incompetence and corruption that creates some risk to regime survival even at a time when oil is selling at historically high levels. And we owe a debt to the Iranian people, who came close to overthrowing this regime recently and who pose a real threat to its survival.

But the steps we have taken to date and even the steps that we plan to take today are just steps along the road. The journey of many miles continues today with one more important step. We are going to have to do even more than this to cause this regime to have to fear for its survival.

I want to thank the Madam Chair for co-sponsoring last year and then again this year my Stop Iran's Nuclear Program Act. And I hope that we can move that bill before the end of the year, as well, although so much of it is included in the bill we deal with today.

That bill, both in its 2010 and 2011 versions, dealt extensively, as the bill before us today does, with the Iran Revolutionary Guard Corps. And, of course, the provisions are included today in Title III. That corps includes the Quds Force, which was identified as the masterminds behind the threats to Saudi diplomats here on our soil, but, just as importantly, plays a critical, some would say a majority, role in the Iran economy and in its nuclear program.

In 2007, the Treasury Department took the important step of designating the IRGC for its proliferation activities. Some 80 entities owned or controlled by the Revolutionary Guard Corps have also been designated. While this has caused some non-U.S. companies to shy away from business with those entities, some have continued to do so.

In a bill that I introduced along with our chair, Ed Royce, and Dan Burton back in 2009, the Revolutionary Guard Corps Designation Implementation Act, which I think serves as the basis for Title III of today's bill, we make it clear that if you do business with the Revolutionary Guard Corps, you can't do business with the United States. This bill today, to the credit of its author, will tell, for example, Mercedes, "If you sell trucks to the Quds Force, you are not selling trucks in the United States."

Like the Stop Iran's Nuclear Program Act of 2010 and then the new one of 2011, this bill deals with sovereign debt, the Halliburton loophole, sensitive Internet technologies, aircraft parts and repair, and an authorization for State governments to take action. Let me review those important provisions.

It prevents companies from loaning money to Iran, whether in dollars or euros or any other currency. It tells the foreign-incorporated subsidiaries of U.S. multinational corporations that they, too, cannot do business with Iran.

Senator Chuck Schumer and I pushed successfully in CISADA, section 106, to designate technologies that suppress the Internet as items that should not be sold to the Iranian regime. The State Department has failed to enforce that. This provision requires the State Department to provide clear guidance as to what kinds of technologies cannot be sold to Iran without being subject to U.S. sanctions.

This bill prohibits aircraft parts and services to Iran. Their so-called civilian planes have been used for a variety of nefarious solutions, including resupplying the Assad's bloody suppression machine in Syria.

The bill also allows State governments to take the actions in support of our sanctions against Iran, most significantly to deny insurance licenses to companies that conduct a host of sanctionable activities in Iran.

This bill is an important first step. It includes many important provisions. We need to pass it into law as quickly as possible, and then we need to look at the next step.

I yield back.

Chairman ROS-LEHTINEN. Thank you so much, Mr. Sherman.

Ms. Schmidt of Ohio is recognized.

Mrs. SCHMIDT. Thank you, Madam Chairman. And I really want to applaud both sides for working on this very important measure.

You know, when Ahmadinejad spoke to his government, he stated that the sanctions are impacting Iran's financial capabilities, especially in the international market. And this bill shows the importance of the U.S. sanctions as they exist, but it also points out the need for additional sanctions and the need to tighten language so Iran cannot find ways around these sanctions through friends on the international scene.

Speaking in a single voice sends a clear message of what these sanctions are and how they are to operate. It also sends a voice of the potential danger of a nuclear Iran to the world, and it lessens their ability to improve their economy through international means.

I encourage not only my colleagues here to vote for this but my friends on my side of the aisle in the House, the other side of the aisle in the House, and in the Senate, and the President to then sign it quickly, as soon as possible.

I yield back my time.

Chairman ROS-LEHTINEN. Thank you very much, Ms. Schmidt.

Mr. Rohrabacher is recognized.

Mr. ROHRABACHER. Thank you very much, Madam Chairman. I want to thank you personally for your leadership, your very strong leadership, on this, if America is going to be at peace and we are not going to find ourselves backed into a corner where we have to give up our freedom and may have to end up in a war 10 years from now, we need strong leadership. You are providing that today, Madam Chairman. Thank you.

There is a country that, however, cannot be ignored when we are discussing how to pressure Iran to change its course, and that country that seems to be ignored so often in these debates is Communist China. This is because Communist China, of course, is the partner of so many American multinational corporations who don't want us to talk about the sins of China. Well, Communist China has been the foremost diplomatic and economic backer of the Tehran mullah regime, an increasingly active, as well, military ally of the Iranian mullah dictatorship.

Well, to attain our goal of changing Iran's course, Beijing must be persuaded to change its course. Increasing sanctions by adding Iranian oil development and purchasing its oil exports have to be applied to China, and they will be with this legislation. Existing large-scale China-Iranian projects in the energy sector would be, with this legislation, stopped. The Chinese imports of oil from Iran increased 40 percent from January to August of this year compared to the same period last year. They have a very tangible relationship that is working against the purposes of a more peaceful world.

We now ask the Obama administration to act on what we are imposing today. And let's just remember that, just a year ago, John Pomfret of The Washington Post reported that Robert Einhorn, the State Department special advisor for nonproliferation and arms control, had given the Chinese a "significant list" of companies and banks that were working with Iran.

By the way, when we are talking about Chinese companies, many of these companies we are talking about are owned by the People's Liberation Army, so it is part and parcel of the Chinese Government and their military. So, already, the administration has a list of Chinese companies that are already in violation. So we know what Beijing—and we have known what it is up to, yet nothing has been done to change that Chinese behavior. Indeed, China is increasing trade with Iran to offset the sanctions.

In diplomacy, China continues to back Iran on the nuclear issue and, just recently, pressed the IAEA not to release damning information on the Iranian military nuclear research. China has given

help to Iran both in its nuclear and missile program, so it provides Tehran with weapons that menace its neighbors and also delivery systems.

So, by all means, we should be enacting the chairman's strengthened version of the Iran Threat Reduction Act, and I applaud her for it, but we must realize that these sanctions will be undercut by Beijing unless we are willing to stand up to Beijing and tell them that we are serious about this legislation and this task of making sure that the mullahs in Iran don't become a nuclear power.

Unless we can convince the Communist Chinese regime by resolute action that they will face severe consequences if they continue to support Tehran, we can expect them to go about with business as usual. We should be watching out for the interests of our country, the national security of our country, and the long-term prosperity of the American people. And that means we are going to have so overcome the corporate influences here in Washington, DC, that are preventing us for standing up from human rights and taking the policies that we need to take in order to ensure that China doesn't threaten our security and our peace in the years to come.

So, Madam Chairman, again, thanks for your leadership. We need to make sure that we remember that China is part of this problem. Thank you.

Chairman ROS-LEHTINEN. Amen. Thank you.

We will now move to consider additional amendments to the underlying substitute amendment, as provided to your offices last night.

I ask unanimous consent that the following bipartisan, noncontroversial amendments, which members have before them, be considered en bloc: Amendments 32, 33, and 34 from Mr. Deutch, enhancing the "credible information" definition, requiring publication of waivers, and requiring a report on divestment; Amendment 18 from Mr. Keating, adding Syria to the list of entities receiving material support from Iran; Amendment 190 from Judge Poe that I drafted with him, as well, adding a finding and policy statement regarding Iranian activity and Camp Ashraf; and Amendment 60 from Mr. Royce, strengthening the aims of the State Department's Internet freedom strategy.

[The amendments referred to follow:]

AMENDMENT TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE TO H.R. 1905 OFFERED BY MR. DEUTCH OF FLORIDA

Page 47, line 20, after "products," insert "State and local government reports,".

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AMENDMENT TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE TO H.R. 1905 OFFERED BY MR. DEUTCH OF FLORIDA

Page 43, after line 11, insert the following:

(3) PUBLICATION IN THE FEDERAL REGISTER.—Not later than 15 days after any waiver authority is exercised pursuant to paragraph (1) or (2) of this subsection, the name of the person or entity with respect to which sanctions are being waived shall be published in the Federal Regist[redacted].

Page 70, line 11, strike "The President" and insert the following:

(1) IN GENERAL.—The President

Page 70, after line 17, inser the following:

(2) PUBLICATION IN THE FEDERAL REGISTER.—Not later than 15 days after any waiver authority is exercised pursuant to paragraph (1) of this subsection, the name of the person with respect to which sanctions are being waived shall be published in the Federal Register.

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AMENDMENT TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE TO H.R. 1905 OFFERED BY MR. DEUTCH OF FLORIDA

Page 16, line 10, strike "one year" and insert "180 days".

Page 16, after line 11, insert the following:

(C) REPORT.—Not later than 90 days after the date of enactment of this Act, the President shall transmit to the appropriate congressional committees a report on the actions taken by persons previously designated pursuant to section 4(e)(3) of the Iran Sanctions Act of 1996, as in effect on the day before the date of the enactment of this Act, to verifiably divest all holdings and terminate the activity described in subparagraph (A).

☒

AMENDMENT TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE TO H.R. 1905 OFFERED BY MR. KEATING OF MASSACHUSETTS

Page 4, line 6, after "Hezbollah," insert "the Government of Syria,".

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AMENDMENT TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE TO H.R. 1905 OFFERED BY MR. POE OF TEXAS

Page 82, strike lines 15 through line 22 and insert the following:

(c) FINDINGS.—Congress finds that—

(1) an increase in both the quantity and quality of Iranian arms shipments and technological expertise to the Iraqi insurgents, the Taliban, other terrorist organizations and criminal elements has the potential to significantly change the battlefield in both Iraq and Afghanistan, and lead to a large increase in United States, International Security Assistance Force, Coalition and Iraqi and Afghan casualties; and

(2) an increase in Iranian activity and influence in Iraq threatens the safety and welfare of the residents of Camp Ashraf.

Page 82, after line 22, insert the following:

(d) STATEMENT OF POLICY.—It shall be the policy of the United States to urge the Government of Iraq to—

(1) uphold its commitments to the United States to ensure the continued well-being of those individuals living in Camp Ashraf;

(2) prevent the involuntary return of such individuals to Iran in accordance with the United States Embassy Statement on Transfer of Security Responsibility for Camp Ashraf of December 28, 2008; and

(3) not close Camp Ashraf until the United Nations High Commissioner for Refugees can complete its process, recognize as political refugees the residents of Camp Ashraf who do not wish to go back to Iran, and resettle them in third countries.

Page 82, line 23, strike "(d)" and insert "(e)".

☒

AMENDMENT TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE TO H.R. 1905 OFFERED BY MR. ROYCE OF CALIFORNIA

Page 68, line 7, insert before the semicolon the following: ", including by assisting United States telecommunications and software companies to comply with the United States export licensing process for such purposes".

Page 68, line 13, insert before the semicolon the following: ", including by identifying foreign providers of jamming technology".

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Chairman ROS-LEHTINEN. You should all have copies in your packet.

I would like to recognize the authors of the amendments so that they can be recognized to explain their portion of the en bloc amendment, starting with Mr. Royce of California.

Thank you, Mr. Royce.

Mr. ROYCE. Thank you, Madam Chair. And I thank you and I thank the ranking member, as well, for your work on this very important legislation. And I also want to express my appreciation for your incorporation of my amendment here.

This amendment nudges the administration to work closely with United States telecom and software companies within the OFAC licensing process so that Iranian democracy activists have better access to software to aid their organizing. This is an area that needs attention. And the amendment also spotlights foreign companies that are assisting Iranian jamming efforts, another issue that we have to deal with here.

I also understand that Mr. Berman will be offering an amendment to strengthen the language on Iran's Central Bank. While many central banks around the world operate independently, Iran's Central Bank is, in fact, an arm of the regime and has assisted Iranian banks to sidestep U.S. financial pressure. At a Terrorism, Nonproliferation, and Trade Subcommittee hearing, experts rec-

ommended this. Mr. Berman's amendment pushes this forward, and it should be adopted.

And thank you. I yield back.

Chairman ROS-LEHTINEN. Thank you very much.

Mr. Deutch is recognized to explain his amendment.

Mr. DEUTCH. Thank you, Madam Chairman. I would like to thank you and Ranking Member Berman for your willingness to work to incorporate these three amendments into the legislation.

Madam Chairman, all three are aimed at achieving the same results: Identifying the companies that continue to support the Iranian regime's illicit quest for nuclear weapons.

Current law states that investigations into possible sanctions must begin upon the receipt of credible evidence. The Iran Threat Reduction Act aims to define what constitutes this credible information. My amendment will add to the list of credible evidence reports published by State and local governments.

Madam Chairman, you and I are privileged to represent the State of Florida, a State that in 2007 became the first State in the country to divest its pension funds from companies supporting the Iranian regime's nuclear weapons program. In authoring the Protecting Florida's Investment Act, we went to great lengths to create a detailed process for identifying those companies doing business in Iran.

As a result, the State Board of Administration in Florida publishes a quarterly report, which I have here, that is comprised of data from four external research providers, NGOs, Federal Government reports, company disclosures and SEC filings, investor relations Web sites, and industry publications.

Additionally, the State board engages directly with the companies, requesting specific information about activities in Iran, and tracks such correspondence in its report. At the publishing of its last report on September the 20th, the Florida State Board of Administration had reviewed over 400 companies and affiliates.

Madam Chairman, I ask unanimous consent to have the Florida quarterly report placed in the record.

Chairman ROS-LEHTINEN. Without objection.

[NOTE: The Florida State Board of Administration's quarterly report, "Protecting Florida's Investments Act (PFIA)," dated September 20, 2011, is not reprinted here but is available in committee records.]

Mr. DEUTCH. Florida is not the only State government committed to preventing a nuclear-armed Iran. There are nearly 20 other States with Iran divestment laws and countless municipalities.

If a company appears on reports published by these State and local governments, particularly given the detailed process used to identify those companies and maintain an up-to-date list of scrutinized companies, the administration must take it seriously and must immediately commence an investigation. This amendment will ensure that these reports are considered credible evidence to trigger that investigation into possible violations of U.S. sanctions law.

Also included, Madam Chairman, in the amendment package is a 180-day deadline for those companies on which the imposition of sanctions has already been waived pursuant to the special rule. In

the fall of 2010, five companies were subject to the special rule: Total, Statoil, ENI, Royal Dutch Shell, and Inpex. This amendment will ensure that those companies have fulfilled their obligations to terminate business in Iran. It is well known that the Iranian energy sector is the main source of funding for the regime's nuclear weapons program. These companies must not prolong any technological services that assist the regime in the production of its financial lifeline, oil.

And, lastly, Madam Chairman, the adoption of this package will require that the name of any company on which the President has chosen to waive the imposition of sanctions in the interest of national security, that that name be made public. The world must know that the U.S. is serious about using economic sanctions to prevent a nuclear-armed Iran. By simply publishing just the name of the company, we put others on notice, all around the world, that the U.S. is watching, we are investigating, and we are taking our responsibility in the international community seriously.

Madam Chairman, I again would like to thank you and Ranking Member Berman for moving forward with this vital piece of legislation that reaffirms the United States' commitment to prevention a nuclear-armed Iran. And I yield back the balance of my time.

Chairman ROS-LEHTINEN. Thank you so much, Mr. Deutch. And I thank you again for those valuable contributions to strengthening our bill. Thank you.

Mr. Keating is recognized to explain his amendment.

Mr. KEATING. Thank you, Madam Chair. And I would like to thank you and the ranking member for your efforts in this very important bill.

My amendment recognizes the Government of Syria as a recipient of material and political assistance by Iran. This bill already identifies Iran's relationship with armed militant groups of, you know, Iraq and Afghanistan, but it reaffirms Iran's support and assistance to Hamas and Hezbollah. But one entity missing from the bill, I believed, was the Government of Syria, who consistently enables Iran's support for the latter organizations.

Syria is one, if not the most, of Iran's most strategic allies. The unrest that has unfolded across the country is one of great concern to Iran's tactical stability. Iran has openly supported the regime's violent crackdown on peaceful Syrian protestors, supplying Assad's proponents with equipment to repress the crowds and technology to monitor, track, and block the use of the Internet as a means of mobilization and coordination. In May of this year, Iran sent members of the elite Quds Force of the Iranian Revolutionary Guard Corps to assist in crushing the opposition—the very same forces involved in the plot to assassinate Saudi Arabia's Ambassador to the United States.

This past summer, in a meeting between a high-ranking Quds Force official and Syria's deputy vice president of security affairs, Iran agreed to provide $23 million to Syria for the construction of a military base in order to better facilitate direct arms shipments.

Iran President Mahmoud Ahmadinejad and Syrian Vice President al-Sharaa have reaffirmed the unity between their countries in their common position on the Palestinian issue and their intent to expand cooperation against Israel. Tehran and Damascus are

well aware of the advantage brought by their relationship over the security of Israel. As mentioned, Syria serves as the gateway for shipments of weapons and military equipment from Iran to the open arms of Hezbollah in Lebanon. In June of last year, it was reported that a sophisticated air defense radar system, capable of intercepting Israeli air strikes, had been sent to Syria by Iran.

I could go on and on, Madam Chairman. As we move forward with implementing and further restricting sanctions on Iran, one thing is important to understand: The relationship between Iran and Syria is a direct threat to the safety and security of Israel and democracy in the region. I therefore ask and appreciate the inclusion of this amendment in the en bloc amendments.

And thank you. And I yield my time back.

Chairman ROS-LEHTINEN. Thank you, sir. We commend you for that amendment.

I would like to turn now to Judge Poe to explain his amendment, which reaffirms our commitment to the security and the welfare of the residents of Camp Ashraf. Judge Poe?

Mr. POE. Thank you, Madam Chair.

Some of the bravest Iranian dissidents are those that are willing to risk their lives to voice opposition to the current Ahmadinejad corrupt regime. Camp Ashraf in Iraq is full of these kinds of heroes. They are Iranians who love their country but have been forced to move because their own government does not tolerate anyone who disagrees with its own totalitarian, oppressive policies. They have been falsely imprisoned, tortured, and seen their family members murdered. They were forced to leave their homeland and flee to Iraq. Now they have applied to the UNHCR to be recognized as political refugees and are currently classified as asylum seekers.

But the camp is in danger. Iraqi troops have attacked the camp on two separate occasions, killing dozens and wounding hundreds. Now the people at Camp Ashraf are under siege. Iraq says it wants to close the camp completely by December 31st before UNHCR can complete the process and recognize them as political refugees. There are photos and video of Iraqi soldiers already entering the camp in preparation for this. If history is any guide, it will mean another massacre.

And the State Department needs to know that our best hope for regime change in Iran comes from the people of Iran themselves. We should publicly and vocally support a regime change by the freedom-loving people in Iran and the freedom-loving people in Camp Ashraf. If we don't do a good job of supporting the opposition, the least we can do now is prevent the folks in Camp Ashraf from being massacred again.

This amendment urges the Government of Iraq to not harm these freedom fighters and not return them to Iran, where they would face certain death, and not to close the camp before UNHCR can complete its process.

We must remember, Madam Chairman, that 85 of these people that are in the camp are either U.S. citizens or permanent residents of the United States.

I am thankful for the chairman and ranking member for their support of this important amendment. I yield back.

Chairman ROS-LEHTINEN. Thank you, Judge Poe.

Hearing no further request for recognition, the question occurs on the en bloc amendment.

All those in favor say aye.

All opposed, no.

In the opinion of the chair, the ayes have it, and the en bloc amendment is agreed to.

I now would like to ask the ranking member if he has an amendment at the desk.

Mr. BERMAN. Yes. Madam Chairman, I have an amendment cosponsored by you at the desk.

Chairman ROS-LEHTINEN. The clerk will report the amendment.

Ms. CARROLL. Amendment to the amendment in the nature of a substitute to H.R. 1905, offered by Mr. Berman of California and Ms. Ros-Lehtinen of Florida. In section 401, strike subsection (b) and insert the following——

Chairman ROS-LEHTINEN. Thank you.

Without objection, the amendment is considered read.

[The amendment to the amendment in the nature of a substitute follows:]

AMENDMENT TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE TO H.R. 1905 OFFERED BY MR. BERMAN OF CALIFORNIA

In section 401, strike subsection (b) and insert the following:

(b) CENTRAL BANK OF IRAN.—Section 104(c) of the Comprehensive Iran Sanctions, Accountability, and Divestment Act of 2010 (22 U.S.C. 8513(a)) is amended by adding at the end the following:

"(4) CENTRAL BANK OF IRAN.—

"(A) DETERMINATION.—Not later than 30 days after the date of the enactment of this paragraph, the President shall determine whether the Central Bank of Iran has—

"(i) provided financial services in support of, or otherwise facilitated, the ability of Iran to—

"(I) acquire or develop chemical, biological or nuclear weapons, or related technologies;

"(II) construct, equip, operate, or maintain nuclear enrichment facilities;

"(III) acquire or develop ballistic missiles, cruise missiles, or destabilizing types and amounts of conventional weapons; or

"(ii) facilitated a transaction or provided financial services for—

"(I) Iran's Islamic Revolutionary Guard Corps; or

"(II) a financial institution whose property or interests in property are subject to sanctions imposed pursuant to the International Emergency Economic Powers Act—

"(aa) in connection with Iran's proliferation of weapons of mass destruction or delivery systems for weapons of mass destruction; or

"(bb) Iran's support for acts of international terrorism.

"(B) SUBMISSION TO CONGRESS.—The President shall submit the determination made under subparagraph (A) in writing to the Congress, together with the reasons therefor.

"(C) IMPOSITION OF SANCTIONS.—

"(i) IN GENERAL.—If the President determines under subparagraph (A) that the Central Bank of Iran has engaged in any of the activities described in that paragraph, the President shall apply to the Central Bank of Iran sanctions pursuant to the International Economic Powers Act (50 U.S.C. 1701 et seq.), including blocking of property and restrictions or prohibitions on financial transactions and the exportation or importation of property.

"(ii) EFFECTIVE PERIOD OF DESIGNATION.—The President shall maintain the sanctions imposed under clause (i) until such time as the President determines and certifies in writing to the Congress that the Central Bank of Iran is no longer engaged in any of the activities described in subparagraph (A).".

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Chairman ROS-LEHTINEN. The ranking member is recognized to explain his amendment as the amendment is being handed out. Mr. Berman?

Mr. BERMAN. Thank you very much, Madam Chairman.

Mr. Royce made reference to this amendment.

The Central Bank of Iran is the linchpin of Iran's financial system. It is Iran's only remaining link with the global banking system. Its opaque financial activities have generated strong suspicions that it almost certainly plays a critical role in funding Iran's nuclear and ballistic missile programs along with the various activities of the Iranian Revolutionary Guard Corps.

And yet, the Central Bank has not been designated under the Treasury Department's sanctions. As a result, the Central Bank is not included in our Specially Designated Nationals List, which functions as a global watch list.

My amendment would require the President to make a determination within 30 days after enactment whether the Central Bank is involved in any of the four areas: Supporting Iran's WMD or missile programs, including proliferation of WMD to other governments; financing Iran's procurement of advanced conventional weapons; providing financial services for the IRGC; or furthering Iran's support of international terrorism.

I believe an objective determination is likely to show that the Central Bank of Iran is indeed involved in one or more of these activities. If the President determines that the Central Bank of Iran is indeed involved in any of these activities, then he would be required to apply sanctions under the International Emergency Economic Powers Act, IEEPA. That would mean that any foreign bank involved in significant transactions with the Central Bank of Iran would also be blocked from the U.S. economy. The amendment would thus force banks to make a choice: Either terminate transactions with the Central Bank or risk the loss of your business in the United States.

This amendment would be a substitute for section 401(b) of the underlying markup text. That section calls for a report to Congress on the Central Bank but doesn't require any action taken by the U.S. Government.

The stakes could not be higher. Iran is making inexorable progress in enriching uranium, it is experimenting with nuclear warhead design, it is developing ballistic missiles, it is building up its inventory of advanced conventional weapons, and it continues to support international terrorism. The Central Bank of Iran is widely suspected of supporting all of these activities, and it is time that the bank and those who work with it are called to account.

This amendment improves the committee's bill, and it would vastly strengthen U.S. policy toward Iran. And I urge my colleagues to vote for it.

Chairman ROS-LEHTINEN. Yes, thank you, Mr. Berman. I also ask our colleagues to support this essential amendment to our bill.

Hearing no further requests for——

Mr. ROHRABACHER. Madam Chairman?

Chairman ROS-LEHTINEN. Mr. Rohrabacher?

Mr. ROHRABACHER. Number one, I want to thank Mr. Berman for this very important amendment, which, frankly, is a policy we

should have been involved with all along. I do not understand how we have let the banks off the hook on things like this.

I will use this opportunity to underscore what Judge Poe brought up a few moments ago about the situation in Camp Ashraf. Let me note that the residents of Camp Ashraf are totally vulnerable. They are disarmed at the request of the United States military. They are totally vulnerable, and they have already endured one massacre.

We keep pushing on this end for a redesignation of the MEK, which are the residents of Camp Ashraf, who are currently designated by our Government as a terrorist organization. That designation is undermining the efforts to relocate these people. Before we get a chance to do this, if we don't relocate them, and they end up being massacred again, it will be because our Government has not acted.

I want to make sure that we are on record today, that it is made very clear, that unless the MEK is redesignated, as has happened throughout Europe and other countries, redesignated not as a terrorist organization, and it is followed by another massacre of these unarmed people, the blood of these innocent people will be on the hands of our State Department and our Government. When the blood is in the sand and people say, who is at fault, they should look to Washington, DC, if we refuse to take the steps now that are necessary for their relocation.

This is very serious. We are talking about over 30 people have been murdered and hundreds more wounded. These are unarmed people who are basically there because of American policy. So I would underscore what Judge Poe stated today.

And we had the Secretary of State with us just a few days ago, committing that whatever can be done will be done as soon as they can do it. Well, let's see some action. If not, again, our State Department bureaucracy will have the blood of these innocent people on their hands if there is another massacre.

Thank you very much, Madam Chairman.

Chairman ROS-LEHTINEN. Thank you so much, Mr. Rohrabacher.

Mr. Duncan is recognized.

Mr. DUNCAN. Thank you, Madam Chairman.

Just real briefly, I will speak in support of this amendment because I want to remind the committee and the Members of Congress that are following this interesting markup that, just a few weeks ago, it was very evident that the Quds Force, the Iranian Revolutionary Guard, was involved in a terror plot that was going to take place on U.S. soil, in this very city, in the assassination attempt of another sovereign nation's Ambassador to the United States.

So this is the right level of sanctions at this point in time against the Central Bank of Iran, and it sends the right signal to the Quds Force and Hezbollah and others that we are not going to just take that issue lightly. And I appreciate Mr. Berman for bringing this amendment up.

I yield back.

Chairman ROS-LEHTINEN. As do I. Thank you.

Hearing no further request for recognition, the question occurs on the Berman amendment.

All those in favor say aye.

All opposed, no.

In the opinion of the chair, the ayes have it, and the amendment is agreed to.

Are there any other amendments to the Iran Threat Reduction Act?

Hearing no further amendments, the question is on agreeing to the bipartisan amendment in the nature of a substitute, as amended.

All those in favor say aye.

All opposed, no.

In the opinion of the chair, the ayes have it, and the amendment in the nature of a substitute, as amended, is agreed to.

Without objection, the underlying bill, H.R. 1905, as amended, is agreed to.

And I now move that the chair be authorized to seek consideration of the measure by the House under suspension of the rules.

All those in favor say aye.

All those opposed, no.

The ayes have it, and the motion is agreed to.

Without objection, the bill, as amended, will be reported as a single amendment in the nature of a substitute incorporating the amendments adopted by the committee. And the staff is directed to make technical and conforming changes.

I now call up the bill H.R. 2105, the Iran, North Korea, and Syria Nonproliferation Reform and Modernization Act of 2011. Without objection, the bill is considered as read and open for amendment at any point.

[H.R. 2105 follows:]

I

112TH CONGRESS
1ST SESSION

H. R. 2105

To provide for the application of measures to foreign persons who transfer to Iran, North Korea, and Syria certain goods, services, or technology, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JUNE 3, 2011

Ms. ROS-LEHTINEN (for herself and Mr. SHERMAN) introduced the following bill; which was referred to the Committee on Foreign Affairs, and in addition to the Committees on Oversight and Government Reform, the Judiciary, Ways and Means, Science, Space, and Technology, Financial Services, and Transportation and Infrastructure, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

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A BILL

To provide for the application of measures to foreign persons who transfer to Iran, North Korea, and Syria certain goods, services, or technology, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Iran, North Korea, and Syria Nonproliferation Reform and Modernization Act of 2011".

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title and table of contents.
Sec. 2. Statement of policy.
Sec. 3. Reports on proliferation relating to Iran, North Korea, and Syria.
Sec. 4. Application of measures to certain foreign persons.
Sec. 5. Determination exempting a foreign person from the application of certain measures.
Sec. 6. Restrictions on nuclear cooperation with countries aiding proliferation by Iran, North Korea, or Syria.
Sec. 7. Restriction on extraordinary payments in connection with the International Space Station.
Sec. 8. Exclusion from the United States of senior officials of foreign persons who have aided proliferation relating to Iran.
Sec. 9. Prohibition on certain vessels landing in the United States; enhanced inspections.
Sec. 10. Sanctions with respect to critical defense resources provided to or acquired from Iran, North Korea, or Syria.
Sec. 11. Definitions.
Sec. 12. Repeal of Iran, North Korea, and Syria Nonproliferation Act.

SEC. 2. STATEMENT OF POLICY.

It shall be the policy of the United States to fully implement and enforce sanctions against Iran, North Korea, and Syria for their proliferation activities and policies.

SEC. 3. REPORTS ON PROLIFERATION RELATING TO IRAN, NORTH KOREA, AND SYRIA.

(a) REPORTS.—Not later than 90 days after the date of the enactment of this Act and every 180 days thereafter, the President shall transmit to the appropriate congressional committees a report identifying every foreign person with respect to whom there is credible information indicating that such person—

(1) on or after January 1, 1999, transferred to or acquired from Iran, on or after January 1, 2005,

transferred to or acquired from Syria, or on or after January 1, 2006, transferred to or acquired from North Korea—

(A) goods, services, or technology listed on—

(i) the Nuclear Suppliers Group Guidelines for the Export of Nuclear Material, Equipment and Technology (published by the International Atomic Energy Agency as Information Circular INFCIRC/254/Rev. 3/Part 1, and subsequent revisions) and Guidelines for Transfers of Nuclear-Related Dual-Use Equipment, Material, and Related Technology (published by the International Atomic Energy Agency as Information Circular INFCIRC/254/Rev. 3/Part 2, and subsequent revisions);

(ii) the Missile Technology Control Regime Equipment and Technology Annex of June 11, 1996, and subsequent revisions;

(iii) the lists of items and substances relating to biological and chemical weapons the export of which is controlled by the Australia Group;

(iv) the Schedule One or Schedule Two list of toxic chemicals and precursors the export of which is controlled pursuant to the Convention on the Prohibition of the Development, Production, Stockpiling and Use of Chemical Weapons and on Their Destruction; or

(v) the Wassenaar Arrangement list of Dual Use Goods and Technologies and Munitions list of July 12, 1996, and subsequent revisions; or

(B) goods, services, or technology not listed on any list specified in subparagraph (A) but which nevertheless would be, if such goods, services, or technology were United States goods, services, or technology, prohibited for export to Iran, North Korea, or Syria, as the case may be, because of the potential of such goods, services or technology to make a material contribution to the development of nuclear, biological, or chemical weapons, or of ballistic or cruise missile systems;

(2) except as provided in subsection (b), on or after the date of the enactment of this Act, acquired materials mined or otherwise extracted within the

territory or control of Iran, North Korea, or Syria, as the case may be, for purposes relating to the nuclear, biological, or chemical weapons, or ballistic or cruise missile development programs of Iran, North Korea, or Syria, as the case may be;

(3) on or after the date of the enactment of this Act, transferred to Iran, Syria, or North Korea goods, services, or technology that could assist efforts to extract or mill uranium ore within the territory or control of Iran, North Korea, or Syria, as the case may be; or

(4) on or after the date of the enactment of this Act, provided a vessel, insurance or reinsurance, or any other shipping service for the transportation of goods to or from Iran, North Korea, or Syria for purposes relating to the nuclear, biological, or chemical weapons, or ballistic or cruise missile development programs of Iran, North Korea, or Syria, as the case may be.

(b) EXCEPTIONS.—Any foreign person who—

(1) was identified in a report transmitted in accordance with subsection (a) on account of a particular transfer, or

(2) has engaged in a transfer on behalf of, or in concert with, the Government of the United States,

shall not be identified on account of that same transfer in any report submitted thereafter under this section, except to the degree that new information has emerged indicating that the particular transfer at issue may have continued, or been larger, more significant, or different in nature than previously reported under this section.

(c) TRANSMISSION IN CLASSIFIED FORM.—If the President considers it appropriate, reports transmitted in accordance with subsection (a), or appropriate parts thereof, may be transmitted in classified form.

(d) CONTENT OF REPORTS.—Each report required under subsection (a) shall contain, with respect to each foreign person identified in each such report, a brief description of the type and quantity of the goods, services, or technology transferred by such person to Iran, North Korea, or Syria, the circumstances surrounding such transfer, the usefulness to the nuclear, biological, or chemical weapons, or ballistic or cruise missile development programs of Iran, North Korea, or Syria of such transfer, and the probable awareness or lack thereof of the transfer on the part of the government with primary jurisdiction over such person.

SEC. 4. APPLICATION OF MEASURES TO CERTAIN FOREIGN PERSONS.

(a) APPLICATION OF MEASURES.—Subject to section 5, the President shall apply, for a period of not less than two years, the measures specified in subsection (b) with respect to—

(1) each foreign person identified in a report transmitted under section 3(a);

(2) each person that is a successor, subunit, or subsidiary of a foreign person referred to in paragraph (1); and

(3) each person that owns more than 50 percent of, or controls in fact, a foreign person referred to in paragraph (1) or a person described in paragraph (2).

(b) DESCRIPTION OF MEASURES.—The measures referred to in subsection (a) are the following:

(1) EXECUTIVE ORDER 12938 PROHIBITIONS.—The measures specified in subsections (b), (c), and (d) of section 4 of Executive Order 12938 (50 U.S.C. 1701 note; relating to proliferation of weapons of mass destruction).

(2) ARMS EXPORT PROHIBITION.—Prohibition on United States Government sales to a person described in subsection (a) of any item on the United States Munitions List and termination of sales to

such person of any defense articles, defense services, or design and construction services under the Arms Export Control Act (22 U.S.C. 2751 et seq.).

(3) DUAL USE EXPORT PROHIBITION.—Denial of licenses and suspension of existing licenses for the transfer to a person described in subsection (a) of items the export of which is controlled under the Export Administration Act of 1979 (50 U.S.C. App. 2401 et seq.), as in effect pursuant to the International Emergency Economic Powers Act, or the Export Administration Regulations.

(4) INVESTMENT PROHIBITION.—Prohibition on any investment by a United States person in property, including entities, owned or controlled by a person described in subsection (a).

(5) FINANCING PROHIBITION.—Prohibition on any approval, financing, or guarantee by a United States person, wherever located, of a transaction by a person described in subsection (a).

(6) FINANCIAL ASSISTANCE PROHIBITION.—Denial by the United States Government of any credit, credit guarantees, grants, or other financial assistance by any agency of the United States Government to a person described in subsection (a).

(c) EFFECTIVE DATE.—Measures applied pursuant to subsection (a) shall be effective with respect to a foreign person no later than—

(1) 90 days after the report identifying the foreign person is submitted, if the report is submitted on or before the date required by section 3(a);

(2) 90 days after the date required by section 3(a) for submitting the report, if the report identifying the foreign person is submitted within 60 days after that date; or

(3) on the date that the report identifying the foreign person is submitted, if that report is submitted more than 60 days after the date required by section 3(a).

(d) PUBLICATION IN FEDERAL REGISTER.—

(1) IN GENERAL.—The Secretary of the Treasury shall publish in the Federal Register notice of the application against a person of measures pursuant to subsection (a).

(2) CONTENT.—Each notice published in accordance with paragraph (1) shall include the name and address (where known) of each person to which measures have been applied pursuant to subsection (a).

SEC. 5. DETERMINATION EXEMPTING A FOREIGN PERSON FROM THE APPLICATION OF CERTAIN MEASURES.

(a) IN GENERAL.—The application of any measure described in section 4(b) to a person described in section 4(a) shall cease to be effective beginning 15 days after the date on which the President reports to the appropriate congressional committees that the President has determined, on the basis of information provided by such person or otherwise obtained by the President, that—

(1) in the case of a transfer or acquisition of goods, services, or technology described in section 3(a)(1)—

(A) such person did not, on or after January 1, 1999, knowingly transfer to or acquire from Iran, North Korea, or Syria, as the case may be, such goods, services, or technology the apparent transfer of which caused such person to be identified in a report submitted pursuant to section 3(a);

(B) the goods, services, or technology the transfer of which caused such person to be identified in a report submitted pursuant to section 3(a) did not materially contribute to the efforts of Iran, North Korea, or Syria, as the case may be, to develop nuclear, biological, or

chemical weapons, or ballistic or cruise missile systems, or weapons listed on the Wassenaar Arrangement Munitions List of July 12, 1996, or any subsequent revision of such List;

(C) such person is subject to the primary jurisdiction of a government that is an adherent to one or more relevant nonproliferation regimes, such person was identified in a report submitted pursuant to section 3(a) with respect to a transfer of goods, services, or technology described in section 3(a)(1)(A), and such transfer was made in accordance with the guidelines and parameters of all such relevant regimes of which such government is an adherent; or

(D) the government with primary jurisdiction over such person has imposed meaningful penalties on such person on account of the transfer of such goods, services, or technology that caused such person to be identified in a report submitted pursuant to section 3(a);

(2) in the case of an acquisition of materials mined or otherwise extracted within the territory of Iran, North Korea, or Syria, as the case may be, described in section 3(a)(2) for purposes relating to the nuclear, biological, or chemical weapons, or bal-

listic or cruise missile development programs of Iran, North Korea, or Syria, as the case may be, such person did not acquire such materials; or

(3) in the case of the provision of a vessel, insurance or reinsurance, or another shipping service for the transportation of goods to or from Iran, North Korea, or Syria, as the case may be, described in section 3(a)(3) for purposes relating to the nuclear, biological, or chemical weapons, or ballistic or cruise missile development programs of Iran, North Korea, or Syria, as the case may be, such person did not provide such a vessel or service.

(b) OPPORTUNITY TO PROVIDE INFORMATION.—Congress urges the President—

(1) in every appropriate case, to contact in a timely fashion each person described in section 3(a), or the government with primary jurisdiction over such person, in order to afford such person, or such government, the opportunity to provide explanatory, exculpatory, or other additional information with respect to the transfer that caused such person to be identified in a report submitted pursuant to section 3(a); and

(2) to exercise the authority described in subsection (a) in all cases in which information obtained

from each person described in section 3(a), or from the government with primary jurisdiction over such person, establishes that the exercise of such authority is warranted.

(c) FORM OF TRANSMISSION.—

(1) IN GENERAL.—Except as provided in paragraph (2), the determination and report of the President under subsection (a) shall be transmitted in unclassified form.

(2) EXCEPTION.—The determination and report of the President under subsection (a) may be transmitted in classified form if the President certifies to the appropriate congressional committees that it is vital to the national security interests of the United States to do so.

SEC. 6. RESTRICTIONS ON NUCLEAR COOPERATION WITH COUNTRIES AIDING PROLIFERATION BY IRAN, NORTH KOREA, OR SYRIA.

(a) IN GENERAL.—

(1) RESTRICTIONS.—Notwithstanding any other provision of law, on or after the date of the enactment of this Act—

(A) no agreement for cooperation between the United States and the government of any country that is assisting the nuclear program of

Iran, North Korea, or Syria, or transferring advanced conventional weapons or missiles to Iran, North Korea, or Syria may be submitted to the President or to Congress pursuant to section 123 of the Atomic Energy Act of 1954 (42 U.S.C. 2153);

(B) no such agreement may enter into force with respect to such country;

(C) no license may be issued for export directly or indirectly to such country of any nuclear material, facilities, components, or other goods, services, or technology that would be subject to such agreement; and

(D) no approval may be given for the transfer or retransfer directly or indirectly to such country of any nuclear material, facilities, components, or other goods, services, or technology that would be subject to such agreement, until the President makes the determination and report under paragraph (2).

(2) DETERMINATION AND REPORT.—The determination and report referred to in paragraph (1)(D) are a determination and report by the President, submitted to the Committee on Foreign Affairs of

the House of Representatives and the Committee on Foreign Relations of the Senate, that—

(A) Iran, North Korea, or Syria, as the case may, has ceased its efforts to design, develop, or acquire a nuclear explosive device or related materials or technology; or

(B) the government of the country that is assisting the nuclear programs of Iran, North Korea, or Syria, as the case may be, or transferring advanced conventional weapons or missiles to Iran, North Korea, or Syria, as the case may be—

(i) has suspended all nuclear assistance to Iran, North Korea, or Syria, as the case may be, and all transfers of advanced conventional weapons and missiles to Iran, North Korea, or Syria, as the case may be; and

(ii) is committed to maintaining that suspension until Iran, North Korea, or Syria, as the case may be, has implemented measures that would permit the President to make the determination described in subparagraph (A).

(b) RULES OF CONSTRUCTION.—The restrictions described in subsection (a)(1)—

(1) shall apply in addition to all other applicable procedures, requirements, and restrictions described in the Atomic Energy Act of 1954 and other applicable Acts; and

(2) shall not be construed as affecting the validity of an agreement for cooperation between the United States and the government of a country that is in effect on the date of the enactment of this Act.

(c) DEFINITIONS.—In this section:

(1) AGREEMENT FOR COOPERATION.—The term "agreement for cooperation" has the meaning given that term in section 11 b. of the Atomic Energy Act of 1954 (42 U.S.C. 2014 b.).

(2) ASSISTING THE NUCLEAR PROGRAM OF IRAN, NORTH KOREA, OR SYRIA.—The term "assisting the nuclear program of Iran, North Korea, or Syria" means the intentional transfer to Iran, North Korea, or Syria by a government, or by a person subject to the jurisdiction of a government with the knowledge and acquiescence of that government, of goods, services, or technology listed on the Nuclear Suppliers Group Guidelines for the Export of Nuclear Material, Equipment and Technology (pub-

lished by the International Atomic Energy Agency as Information Circular INFCIRC/254/Rev. 3/Part 1, and subsequent revisions), or the Nuclear Suppliers Group Guidelines for Transfers of Nuclear-Related Dual-Use Equipment, Material, and Related Technology (published by the International Atomic Energy Agency as Information Circular INFCIR/254/Rev. 3/Part 2, and subsequent revisions).

(3) COUNTRY THAT IS ASSISTING THE NUCLEAR PROGRAMS OF IRAN, NORTH KOREA, OR SYRIA OR TRANSFERRING ADVANCED CONVENTIONAL WEAPONS OR MISSILES TO IRAN, NORTH KOREA, OR SYRIA.—The term "country that is assisting the nuclear program of Iran, North Korea, or Syria or transferring advanced conventional weapons or missiles to Iran, North Korea, or Syria" means—

(A) the Russian Federation; and

(B) any other country determined by the President to be assisting the nuclear program of Iran, North Korea, or Syria or transferring advanced conventional weapons or missiles to Iran, North Korea, or Syria.

(4) TRANSFER.—The term "transfer" means the conveyance of technological or intellectual property, or the conversion of intellectual or technological

advances into marketable goods, services, or articles of value, developed and generated in one place, to another through illegal or illicit means to a country, the government of which the Secretary of State has determined, for purposes of section 6(j)(1)(A) of the Export Administration Act of 1979 (as in effect pursuant to the International Emergency Economic Powers Act; 50 U.S.C. 1701 et seq.), section 40(d) of the Arms Export Control Act (22 U.S.C. 2780(d)), and section 620A of the Foreign Assistance Act of 1961 (22 U.S.C. 2371), is a government that has repeatedly provided support for acts of international terrorism.

(5) TRANSFERRING ADVANCED CONVENTIONAL WEAPONS OR MISSILES TO IRAN, NORTH KOREA, OR SYRIA.—The term "transferring advanced conventional weapons or missiles to Iran, North Korea, or Syria" means the intentional transfer to Iran, North Korea, or Syria by a government, or by a person subject to the jurisdiction of a government with the knowledge and acquiescence of that government, of goods, services, or technology listed on—

(A) the Wassenaar Arrangement list of Dual Use Goods and Technologies and Muni-

tions list of July 12, 1996, and subsequent revisions; or

(B) the Missile Technology Control Regime Equipment and Technology Annex of June 11, 1996, and subsequent revisions.

SEC. 7. RESTRICTION ON EXTRAORDINARY PAYMENTS IN CONNECTION WITH THE INTERNATIONAL SPACE STATION.

(a) IN GENERAL.—Notwithstanding any other provision of law, no agency of the United States Government may make extraordinary payments in connection with the International Space Station to the Russian Aviation and Space Agency, any organization or entity under the jurisdiction or control of the Russian Aviation and Space Agency, or any other organization, entity, or element of the Government of the Russian Federation, unless, during the fiscal year in which such extraordinary payments are to be made, the President has made the determination described in subsection (b), and reported such determination to the Committee on Foreign Affairs and the Committee on Science and Technology of the House of Representatives and the Committee on Foreign Relations and the Committee on Commerce, Science, and Transportation of the Senate.

(b) DETERMINATION REGARDING RUSSIAN COOPERATION IN PREVENTING PROLIFERATION RELATING TO IRAN, NORTH KOREA, AND SYRIA.—The determination referred to in subsection (a) is a determination by the President that—

(1) it is the policy of the Government of the Russian Federation (including the law enforcement, export promotion, export control, and intelligence agencies of such Government) to oppose the proliferation to or from Iran, North Korea, and Syria of weapons of mass destruction and missile systems capable of delivering such weapons;

(2) the Government of the Russian Federation (including the law enforcement, export promotion, export control, and intelligence agencies of such Government) has demonstrated and continues to demonstrate a sustained commitment to seek out and prevent the transfer to or from Iran, North Korea, and Syria of goods, services, and technology that could make a material contribution to the nuclear, biological, or chemical weapons, or of ballistic or cruise missile systems development programs of Iran; and

(3) neither the Russian Aviation and Space Agency, nor any organization or entity under the ju-

risdiction or control of the Russian Aviation and Space Agency, has, during the one-year period ending on the date of the determination under this subsection made transfers to or from Iran, North Korea, or Syria reportable under section 3(a) (other than transfers with respect to which a determination pursuant to section 5 has been or will be made).

(c) PRIOR NOTIFICATION.—Not less than five days before making a determination under this section, the President shall notify the Committee on Foreign Affairs and the Committee on Science, Space, and Technology of the House of Representatives and the Committee on Foreign Relations and the Committee on Commerce, Science, and Transportation of the Senate of the President's intention to make such a determination.

(d) WRITTEN JUSTIFICATION.—A determination of the President under this section shall include a written justification describing in detail the facts and circumstances supporting the President's conclusion.

(e) TRANSMISSION IN CLASSIFIED FORM.—If the President considers it appropriate, a determination of the President under this section, a prior notification under subsection (c), and a written justification under subsection (d), or appropriate parts thereof, may be transmitted in classified form.

(f) EXCEPTION FOR CREW SAFETY.—

(1) EXCEPTION.—The National Aeronautics and Space Administration may make extraordinary payments in connection with the International Space Station to the Russian Aviation and Space Agency or any organization or entity under the jurisdiction or control of the Russian Aviation and Space Agency, or any subcontractor thereof, that would otherwise be prohibited under this section if the President notifies Congress in writing that such payments are necessary to prevent the imminent loss of life of or grievous injury to individuals aboard the International Space Station.

(2) REPORT.—Not later than 30 days after notifying Congress that the National Aeronautics and Space Administration will make extraordinary payments under paragraph (1), the President shall transmit to Congress a report describing—

(A) the extent to which the provisions of subsection (b) had been met as of the date of notification; and

(B) the measures that the National Aeronautics and Space Administration is taking to ensure that—

(i) the conditions posing a threat of imminent loss of life of or grievous injury to individuals aboard the International Space Station necessitating the extraordinary payments are not repeated; and

(ii) it is no longer necessary to make extraordinary payments in order to prevent imminent loss of life of or grievous injury to individuals aboard the International Space Station.

(g) SERVICE MODULE EXCEPTION.—

(1) IN GENERAL.—The National Aeronautics and Space Administration may make extraordinary payments in connection with the International Space Station to the Russian Aviation and Space Agency, any organization or entity under the jurisdiction or control of the Russian Aviation and Space Agency, or any subcontractor thereof, that would otherwise be prohibited under this section for the construction, testing, preparation, delivery, launch, or maintenance of the Service Module, and for the purchase (at a total cost not to exceed $14,000,000) of the pressure dome for the Interim Control Module and the Androgynous Peripheral Docking Adapter and

related hardware for the United States propulsion module, if—

(A) the President has notified Congress at least five days before making such payments;

(B) no report has been made under section 3(a) with respect to an activity of the entity to receive such payment, and the President has no credible information of any activity that would require such a report; and

(C) the United States will receive goods or services of value to the United States commensurate with the value of the extraordinary payments made.

(2) DEFINITION.—For purposes of this subsection, the term "maintenance" means activities that cannot be performed by the National Aeronautics and Space Administration and which must be performed in order for the Service Module to provide environmental control, life support, and orbital maintenance functions which cannot be performed by an alternative means at the time of payment.

(3) TERMINATION.—This subsection shall cease to be effective on the date that is 60 days after the date on which a United States propulsion module is in place at the International Space Station.

(h) EXCEPTION.—No agency of the United States Government may make extraordinary payments in connection with the International Space Station, or any other payments in connection with the International Space Station, to any foreign person subject to measures applied pursuant to section 4 of Executive Order 12938 (November 14, 1994), as amended by Executive Order 13094 (July 28, 1998).

(i) REPORT ON CERTAIN PAYMENTS RELATED TO INTERNATIONAL SPACE STATION.—

(1) IN GENERAL.—The President shall, together with each report submitted under section 3(a), transmit to the Committee on Foreign Relations of the Senate and the Committee on Foreign Affairs of the House of Representatives a report that identifies each Russian entity or person to whom the United States Government has, since November 22, 2005, made a payment in cash or in kind for work to be performed or services to be rendered under the Agreement Concerning Cooperation on the Civil International Space Station, with annex, signed at Washington January 29, 1998, and entered into force March 27, 2001, or any protocol, agreement, memorandum of understanding, or contract related thereto.

(2) CONTENT.—Each report transmitted under paragraph (1) shall include—

(A) the specific purpose of each payment made to each entity or person identified in such report; and

(B) with respect to each such payment, the assessment of the President that the payment was not prejudicial to the achievement of the objectives of the United States Government to prevent the proliferation of ballistic or cruise missile systems in Iran and other countries that have repeatedly provided support for acts of international terrorism, as determined by the Secretary of State under section 620A(a) of the Foreign Assistance Act of 1961 (22 U.S.C. 2371(a)), section 6(j) of the Export Administration Act of 1979 (50 U.S.C. App. 2405(j)), or section 40(d) of the Arms Export Control Act (22 U.S.C. 2780(d)).

SEC. 8. EXCLUSION FROM THE UNITED STATES OF SENIOR OFFICIALS OF FOREIGN PERSONS WHO HAVE AIDED PROLIFERATION RELATING TO IRAN.

(a) GROUNDS FOR EXCLUSION.—Except as provided in subsection (b), the Secretary of State shall deny a visa to, and the Secretary of Homeland Security shall exclude

from the United States, any alien whom the Secretary of State determines is an alien who, on or after the date of the enactment of this Act, is a—

(1) corporate officer, principal, or shareholder with a controlling interest of a foreign person identified in a report submitted pursuant to section 3(a);

(2) corporate officer, principal, or shareholder with a controlling interest of a successor entity to, or a parent or subsidiary of, a foreign person identified in such a report;

(3) corporate officer, principal, or shareholder with a controlling interest of an affiliate of a foreign person identified in such a report, if such affiliate engaged in the activities referred to in such report, and if such affiliate is controlled in fact by the foreign person identified in such report;

(4) spouse, minor child, or agent of a person excludable under paragraph (1), (2), or (3);

(5) senior official of a foreign government identified in such a report;

(6) senior official of a foreign government with primary jurisdiction over a foreign person identified in such a report; or

(7) spouse, minor child, or agent of a person excludable under paragraph (5) or (6).

(b) EXCEPTION.—The President may waive denial of a visa and exclusion from the United States described in subsection (a) with respect to a person specified in paragraph (5), (6), or (7) of subsection (a) if the President determines and certifies in writing to the Committee on Foreign Affairs and the Committee on Appropriations of the House of Representatives and the Committee on Foreign Relations and the Committee on Appropriations of the Senate, on a case by case basis, that the foreign government with primary jurisdiction over such person has made and continues to make clear, specific efforts to stop and deter the transfer (as such term is defined in section 9) or retransfer of, or the permitting, hosting, or other facilitating of transshipments that may enable the transfer or retransfer of goods or technology that contribute to the efforts by Iran to acquire or develop advanced conventional weapons, or to acquire, develop, produce, or stockpile biological, chemical, radiological, or nuclear weapons or long-range ballistic missiles cruise missiles.

(c) DEFINITIONS.—In this section—

(1) the term "advanced conventional weapons" means goods, services, or technology listed on—

(A) the Wassenaar Arrangement list of Dual Use Goods and Technologies and Muni-

tions list of July 12, 1996, and subsequent revisions; or

(B) the Missile Technology Control Regime Equipment and Technology Annex of June 11, 1996, and subsequent revisions; and

(2) the term "transshipment" means the transfer of cargo from one vessel or conveyance to another vessel for further transit to complete the voyage and carry the cargo to its ultimate destination.

SEC. 9. PROHIBITION ON CERTAIN VESSELS LANDING IN THE UNITED STATES; ENHANCED INSPECTIONS.

(a) PROHIBITION ON CERTAIN VESSELS LANDING IN THE UNITED STATES.—Beginning on the date of the enactment of this Act, a vessel may not land at any port in the United States to load or unload freight or engage in the trade of goods or services if the vessel knowingly entered a port in Iran, North Korea, or Syria during the 180-day period ending on the date of arrival of the vessel at the port in the United States.

(b) ENFORCEMENT; ENHANCED INSPECTIONS.—Not later than 180 days after the date of the enactment of this Act, the Secretary of Homeland Security, in consultation with the Secretary of the Treasury and the Secretary of Commerce, shall prescribe regulations that—

(1) require each vessel requesting to land at a port in the United States to certify that the vessel is not prohibited from landing at that port by reason of the application of subsection (a);

(2) prohibit, for a period of two years, any vessel that provides false certification under paragraph (1) from landing at a port in the United States;

(3) provide a mechanism for identifying foreign ports at which vessels have landed during the preceding 12-month period that have also landed at ports in Iran, North Korea, or Syria during that period;

(4) require an enhanced inspection of vessels arriving in the United States from foreign ports identified in paragraph (3); and

(5) set forth procedures for inspecting each vessel described in paragraph (4) that are sufficiently rigorous to establish whether the vessel was involved, during the 12-month period preceding the arrival of the vessel at the port in the United States, in any activity that would be subject to sanctions under this Act or any other provision of law.

(c) PORT DEFINED.—For purposes of this section, the term "port" means a seaport or airport.

SEC. 10. SANCTIONS WITH RESPECT TO CRITICAL DEFENSE RESOURCES PROVIDED TO OR ACQUIRED FROM IRAN, NORTH KOREA, OR SYRIA.

(a) IN GENERAL.—The President shall apply the sanctions described in subsection (b) to any person the President determines is, on or after the date of the enactment of this Act, providing to, or acquiring from, Iran, North Korea, or Syria any good or technology that the President determines is used, or is likely to be used, for military applications.

(b) SANCTIONS DESCRIBED.—The sanctions described in this subsection are, with respect to a person described in subsection (a), the following:

(1) FOREIGN EXCHANGE.—Prohibiting any transactions in foreign exchange that are subject to the jurisdiction of the United States and in which that person has any interest.

(2) BANKING TRANSACTIONS.—Prohibiting any transfers of credit or payments between financial institutions or by, through, or to any financial institution, to the extent that such transfers or payments are subject to the jurisdiction of the United States and involve any interest of that person.

(3) PROPERTY TRANSACTIONS.—Prohibiting any person from—

(A) acquiring, holding, withholding, using, transferring, withdrawing, transporting, importing, or exporting any property that is subject to the jurisdiction of the United States and with respect to which the person described in subsection (a) has any interest;

(B) dealing in or exercising any right, power, or privilege with respect to such property; or

(C) conducting any transaction involving such property.

(4) LOAN GUARANTEES.—Prohibiting the head of any Federal agency from providing a loan guarantee to that person.

(c) RESTRICTIONS ON EXPORT LICENSES FOR NUCLEAR COOPERATION AND CERTAIN LOAN GUARANTEES.—Before issuing a license for the exportation of any article pursuant to an agreement for cooperation under section 123 of the Atomic Energy Act of 1954 (42 U.S.C. 2153) or approving a loan guarantee or any other assistance provided by the United States Government with respect to a nuclear energy project, the Secretary of Energy, the Secretary of Commerce, and the Nuclear Regulatory Commission shall certify to Congress that issuing the license or approving the loan guarantee or other assistance

(as the case may be) will not permit the transfer of any good or technology described in subsection (a) to Iran, North Korea, or Syria.

SEC. 11. DEFINITIONS.

In this title:

(1) ADHERENT TO RELEVANT NONPROLIFERATION REGIME.—A government is an "adherent" to a "relevant nonproliferation regime" if such government—

(A) is a member of the Nuclear Suppliers Group with respect to a transfer of goods, services, or technology described in section 3(a)(1)(A)(i);

(B) is a member of the Missile Technology Control Regime with respect to a transfer of goods, services, or technology described in section 3(a)(1)(A)(ii), or is a party to a binding international agreement with the United States that was in effect on January 1, 1999, to control the transfer of such goods, services, or technology in accordance with the criteria and standards set forth in the Missile Technology Control Regime;

(C) is a member of the Australia Group with respect to a transfer of goods, services, or technology described in section 3(a)(1)(A)(iii);

(D) is a party to the Convention on the Prohibition of the Development, Production, Stockpiling and Use of Chemical Weapons and on Their Destruction with respect to a transfer of goods, services, or technology described in section 3(a)(1)(A)(iv); or

(E) is a member of the Wassenaar Arrangement with respect to a transfer of goods, services, or technology described in section 3(a)(1)(A)(v).

(2) APPROPRIATE CONGRESSIONAL COMMITTEES.—The term "appropriate congressional committees" means the Committee on Foreign Affairs of the House of Representatives and the Committee on Foreign Relations and the Committee on Banking, Housing, and Urban Affairs of the Senate.

(3) EXTRAORDINARY PAYMENTS IN CONNECTION WITH THE INTERNATIONAL SPACE STATION.—The term "extraordinary payments in connection with the International Space Station" means payments in cash or in kind made or to be made by the United States Government—

(A) for work on the International Space Station which the Government of the Russian Federation pledged at any time to provide at its expense, or

(B) for work on the International Space Station, or for the purchase of goods or services relating to human space flight, that are not required to be made under the terms of a contract or other agreement that was in effect on January 1, 1999, as such terms were in effect on such date,

except that such term does not mean payments in cash or in kind made or to be made by the United States Government before July 1, 2016, for work to be performed or services to be rendered before such date necessary to meet United States obligations under the Agreement Concerning Cooperation on the Civil International Space Station, with annex, signed at Washington January 29, 1998, and entered into force March 27, 2001, or any protocol, agreement, memorandum of understanding, or contract related thereto.

(4) FOREIGN PERSON.—The term "foreign person" means—

(A) a natural person who is an alien;

(B) a corporation, business association, partnership, society, trust, or any other non-governmental entity, organization, or group, successor, subunit, or subsidiary organized under the laws of a foreign country or that has its principal place of business in a foreign country; and

(C) any foreign government, including any foreign governmental entity.

(5) KNOWINGLY.—The term "knowingly", with respect to conduct, a circumstance, or a result, means that a person has actual knowledge, or should have known, of the conduct, the circumstance, or the result of such conduct, circumstance, or result.

(6) ORGANIZATION OR ENTITY UNDER THE JURISDICTION OR CONTROL OF THE RUSSIAN AVIATION AND SPACE AGENCY.—

(A) DEFINITION.—The term "organization or entity under the jurisdiction or control of the Russian Aviation and Space Agency" means an organization or entity that—

(i) was made part of the Russian Space Agency upon its establishment on February 25, 1992;

(ii) was transferred to the Russian Space Agency by decree of the Government of the Russian Federation on July 25, 1994, or May 12, 1998;

(iii) was or is transferred to the Russian Aviation and Space Agency or Russian Space Agency by decree of the Government of the Russian Federation at any other time before, on, or after March 14, 2000; or

(iv) is a joint stock company in which the Russian Aviation and Space Agency or Russian Space Agency has at any time held controlling interest.

(B) EXTENSION.—Any organization or entity described in subparagraph (A) shall be deemed to be under the jurisdiction or control of the Russian Aviation and Space Agency regardless of whether—

(i) such organization or entity, after being part of or transferred to the Russian Aviation and Space Agency or Russian Space Agency, is removed from or transferred out of the Russian Aviation and Space Agency or Russian Space Agency; or

(ii) the Russian Aviation and Space Agency or Russian Space Agency, after holding a controlling interest in such organization or entity, divests its controlling interest.

(7) SUBSIDIARY.—The term "subsidiary" means an entity (including a partnership, association, trust, joint venture, corporation, or other organization) of a parent company that controls, directly or indirectly, the other entity.

(8) TRANSFER OR TRANSFERRED.—The term "transfer" or "transferred", with respect to a good, service, or technology, includes—

(A) the conveyance of technological or intellectual property; and

(B) the conversion of technological or intellectual advances into marketable goods, services, or technology of value that is developed and generated in one location and transferred to another location through illegal or illicit means.

(9) UNITED STATES PERSON.—The term "United States person" means—

(A) a natural person who is a citizen or resident of the United States; or

(B) an entity that is organized under the laws of the United States or any State or territory thereof.

(10) VESSEL.—The term "vessel" has the meaning given such term in section 1081 of title 18, United States Code. Such term also includes aircraft, regardless of whether or not the type of aircraft at issue is described in such section.

SEC. 12. REPEAL OF IRAN, NORTH KOREA, AND SYRIA NONPROLIFERATION ACT.

(a) REPEAL.—The Iran, North Korea, and Syria Nonproliferation Act (50 U.S.C. 1701 note) is repealed.

(b) RULE OF CONSTRUCTION.—The repeal of the Iran, North Korea, and Syria Nonproliferation Act under subsection (a) shall not be construed to have the effect to release or extinguish any sanction or other penalty under such Act in effect on the day before the date of the enactment of this Act and such Act shall be treated as still remaining in force for the purpose of sustaining any proper action or prosecution for the enforcement of such sanction or other penalty.

(c) REFERENCES.—Any reference in a law, regulation, document, or other record of the United States to

the Iran, North Korea, and Syria Nonproliferation Act shall be deemed to be a reference to this Act.

○

Chairman ROS-LEHTINEN. In addition, without objection, the bipartisan amendment in the nature of a substitute, which was provided to your offices on Monday, and which all members have before them, is made the pending business of the committee, is considered as read, and is open for amendment at any point.

[The amendment in the nature of a substitute follows:]

AMENDMENT IN THE NATURE OF A SUBSTITUTE

TO H.R. 2105

OFFERED BY MS. ROS-LEHTINEN OF FLORIDA

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Iran, North Korea, and Syria Nonproliferation Reform and Modernization Act of 2011".

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title and table of contents.
Sec. 2. Statement of policy.
Sec. 3. Reports on proliferation relating to Iran, North Korea, and Syria.
Sec. 4. Application of measures to certain foreign persons.
Sec. 5. Determination exempting a foreign person from the application of certain measures.
Sec. 6. Restrictions on nuclear cooperation with countries aiding proliferation by Iran, North Korea, or Syria.
Sec. 7. Restriction on extraordinary payments in connection with the International Space Station.
Sec. 8. Exclusion from the United States of senior officials of foreign persons who have aided proliferation relating to Iran.
Sec. 9. Prohibition on certain vessels landing in the United States; enhanced inspections.
Sec. 10. Sanctions with respect to critical defense resources provided to or acquired from Iran, North Korea, or Syria.
Sec. 11. Definitions.
Sec. 12. Repeal of Iran, North Korea, and Syria Nonproliferation Act.

SEC. 2. STATEMENT OF POLICY.

It shall be the policy of the United States to fully implement and enforce sanctions against Iran, North

Korea, and Syria for their proliferation activities and policies.

SEC. 3. REPORTS ON PROLIFERATION RELATING TO IRAN, NORTH KOREA, AND SYRIA.

(a) REPORTS.—Not later than 90 days after the date of the enactment of this Act and every 120 days thereafter, the President shall transmit to the appropriate congressional committees a report identifying every foreign person with respect to whom there is credible information indicating that such person—

(1) on or after January 1, 1999, transferred to or acquired from Iran, on or after January 1, 2005, transferred to or acquired from Syria, or on or after January 1, 2006, transferred to or acquired from North Korea—

(A) goods, services, or technology listed on—

(i) the Nuclear Suppliers Group Guidelines for the Export of Nuclear Material, Equipment and Technology (published by the International Atomic Energy Agency as Information Circular INFCIRC/254/Rev. 3/Part 1, and subsequent revisions) and Guidelines for Transfers of Nuclear-Related Dual-Use Equipment, Material,

and Related Technology (published by the International Atomic Energy Agency as Information Circular INFCIRC/254/Rev. 3/Part 2, and subsequent revisions);

(ii) the Missile Technology Control Regime Equipment and Technology Annex of June 11, 1996, and subsequent revisions;

(iii) the lists of items and substances relating to biological and chemical weapons the export of which is controlled by the Australia Group;

(iv) the Schedule One or Schedule Two list of toxic chemicals and precursors the export of which is controlled pursuant to the Convention on the Prohibition of the Development, Production, Stockpiling and Use of Chemical Weapons and on Their Destruction; or

(v) the Wassenaar Arrangement list of Dual Use Goods and Technologies and Munitions list of July 12, 1996, and subsequent revisions; or

(B) goods, services, or technology not listed on any list specified in subparagraph (A) but

which nevertheless would be, if such goods, services, or technology were United States goods, services, or technology, prohibited for export to Iran, North Korea, or Syria, as the case may be, because of the potential of such goods, services or technology to make a material contribution to the development of nuclear, biological, or chemical weapons, or of ballistic or cruise missile systems or destabilizing types and amounts of conventional weapons;

(2) except as provided in subsection (b), on or after the date of the enactment of this Act, acquired materials mined or otherwise extracted within the territory or control of Iran, North Korea, or Syria, as the case may be, for purposes relating to the nuclear, biological, or chemical weapons, or ballistic or cruise missile development programs of Iran, North Korea, or Syria, as the case may be;

(3) on or after the date of the enactment of this Act, transferred to Iran, Syria, or North Korea goods, services, or technology that could assist efforts to extract or mill uranium ore within the territory or control of Iran, North Korea, or Syria, as the case may be;

(4) on or after the date of the enactment of this Act, provided to Iran, Syria, or North Korea destabilizing types and amounts of conventional weapons and technical assistance; or

(5) on or after the date of the enactment of this Act, provided a vessel, insurance or reinsurance, or any other shipping service for the transportation of goods to or from Iran, North Korea, or Syria for purposes relating to the nuclear, biological, or chemical weapons, or ballistic or cruise missile development programs of Iran, North Korea, or Syria, as the case may be.

(b) EXCEPTIONS.—Any foreign person who—

(1) was identified in a report transmitted in accordance with subsection (a) on account of a particular transfer, or

(2) has engaged in a transfer on behalf of, or in concert with, the Government of the United States,

shall not be identified on account of that same transfer in any report submitted thereafter under this section, except to the degree that new information has emerged indicating that the particular transfer at issue may have continued, or been larger, more significant, or different in nature than previously reported under this section.

(c) TRANSMISSION IN CLASSIFIED FORM.—If the President considers it appropriate, reports transmitted in accordance with subsection (a), or appropriate parts thereof, may be transmitted in classified form.

(d) CONTENT OF REPORTS.—Each report required under subsection (a) shall contain, with respect to each foreign person identified in each such report, a brief description of the type and quantity of the goods, services, or technology transferred by such person to Iran, North Korea, or Syria, the circumstances surrounding such transfer, the usefulness to the nuclear, biological, or chemical weapons, or ballistic or cruise missile development programs of Iran, North Korea, or Syria of such transfer, and the probable awareness or lack thereof of the transfer on the part of the government with primary jurisdiction over such person.

(e) ADDITIONAL CONTENTS OF REPORTS.—Each report under subsection (a) shall contain a description, with respect the transfer or acquisition of the goods, services, or technology described in such subsection, of the actions taken by foreign governments to assist in interdicting such transfer or acquisition.

SEC. 4. APPLICATION OF MEASURES TO CERTAIN FOREIGN PERSONS.

(a) APPLICATION OF MEASURES.—Subject to section 5, the President shall apply, for a period of not less than two years, the measures specified in subsection (b) with respect to—

(1) each foreign person identified in a report transmitted under section 3(a);

(2) each person that is a successor, subunit, or subsidiary of a foreign person referred to in paragraph (1); and

(3) each person that owns more than 50 percent of, or controls in fact, a foreign person referred to in paragraph (1) or a person described in paragraph (2).

(b) DESCRIPTION OF MEASURES.—The measures referred to in subsection (a) are the following:

(1) EXECUTIVE ORDER 12938 PROHIBITIONS.—The measures specified in subsections (b), (c), and (d) of section 4 of Executive Order 12938 (50 U.S.C. 1701 note; relating to proliferation of weapons of mass destruction).

(2) ARMS EXPORT PROHIBITION.—Prohibition on United States Government sales to a person described in subsection (a) of any item on the United States Munitions List and termination of sales to

such person of any defense articles, defense services, or design and construction services under the Arms Export Control Act (22 U.S.C. 2751 et seq.).

(3) DUAL USE EXPORT PROHIBITION.—Denial of licenses and suspension of existing licenses for the transfer to a person described in subsection (a) of items the export of which is controlled under the Export Administration Act of 1979 (50 U.S.C. App. 2401 et seq.), as in effect pursuant to the International Emergency Economic Powers Act, or the Export Administration Regulations.

(4) INVESTMENT PROHIBITION.—Prohibition on any investment by a United States person in property, including entities, owned or controlled by a person described in subsection (a).

(5) FINANCING PROHIBITION.—Prohibition on any approval, financing, or guarantee by a United States person, wherever located, of a transaction by a person described in subsection (a).

(6) FINANCIAL ASSISTANCE PROHIBITION.—Denial by the United States Government of any credit, credit guarantees, grants, or other financial assistance by any agency of the United States Government to a person described in subsection (a).

(c) EFFECTIVE DATE.—Measures applied pursuant to subsection (a) shall be effective with respect to a foreign person no later than—

(1) 90 days after the report identifying the foreign person is submitted, if the report is submitted on or before the date required by section 3(a);

(2) 90 days after the date required by section 3(a) for submitting the report, if the report identifying the foreign person is submitted within 60 days after that date; or

(3) on the date that the report identifying the foreign person is submitted, if that report is submitted more than 60 days after the date required by section 3(a).

(d) PUBLICATION IN FEDERAL REGISTER.—

(1) IN GENERAL.—The Secretary of the Treasury shall publish in the Federal Register notice of the application against a person of measures pursuant to subsection (a).

(2) CONTENT.—Each notice published in accordance with paragraph (1) shall include the name and address (where known) of each person to which measures have been applied pursuant to subsection (a).

SEC. 5. DETERMINATION EXEMPTING A FOREIGN PERSON FROM THE APPLICATION OF CERTAIN MEASURES.

(a) IN GENERAL.—The application of any measure described in section 4(b) to a person described in section 4(a) shall cease to be effective beginning 15 days after the date on which the President determines and certifies to the appropriate congressional committees, on the basis of information provided by such person or otherwise obtained by the President, that—

(1) in the case of a transfer or acquisition of goods, services, or technology described in section 3(a)(1)—

(A) such person did not, on or after January 1, 1999, knowingly transfer to or acquire from Iran, North Korea, or Syria, as the case may be, such goods, services, or technology the apparent transfer of which caused such person to be identified in a report submitted pursuant to section 3(a);

(B) the goods, services, or technology the transfer of which caused such person to be identified in a report submitted pursuant to section 3(a) did not contribute to the efforts of Iran, North Korea, or Syria, as the case may be, to develop—

(i) nuclear, biological, or chemical weapons, or ballistic or cruise missile systems, or weapons listed on the Wassenaar Arrangement Munitions List of July 12, 1996, or any subsequent revision of such List; or

(ii) destabilizing types or amounts of conventional weapons or acquire technical assistance;

(C) such person is subject to the primary jurisdiction of a government that is an adherent to one or more relevant nonproliferation regimes, such person was identified in a report submitted pursuant to section 3(a) with respect to a transfer of goods, services, or technology described in section 3(a)(1)(A), and such transfer was made in accordance with the guidelines and parameters of all such relevant regimes of which such government is an adherent; or

(D) the government with primary jurisdiction over such person has imposed meaningful penalties on such person on account of the transfer of such goods, services, or technology that caused such person to be identified in a report submitted pursuant to section 3(a);

(2) in the case of an acquisition of materials mined or otherwise extracted within the territory of Iran, North Korea, or Syria, as the case may be, described in section 3(a)(2) for purposes relating to the nuclear, biological, or chemical weapons, or ballistic or cruise missile development programs of Iran, North Korea, or Syria, as the case may be, such person did not acquire such materials; or

(3) in the case of the provision of a vessel, insurance or reinsurance, or another shipping service for the transportation of goods to or from Iran, North Korea, or Syria, as the case may be, described in section 3(a)(3) for purposes relating to the nuclear, biological, or chemical weapons, or ballistic or cruise missile development programs of Iran, North Korea, or Syria, as the case may be, such person did not provide such a vessel or service.

(b) OPPORTUNITY TO PROVIDE INFORMATION.—Congress urges the President—

(1) in every appropriate case, to contact in a timely fashion each person described in section 3(a), or the government with primary jurisdiction over such person, in order to afford such person, or such government, the opportunity to provide explanatory, exculpatory, or other additional information with re-

spect to the transfer that caused such person to be identified in a report submitted pursuant to section 3(a); and

(2) to exercise the authority described in subsection (a) in all cases in which information obtained from each person described in section 3(a), or from the government with primary jurisdiction over such person, establishes that the exercise of such authority is warranted.

(c) FORM OF TRANSMISSION.—

(1) IN GENERAL.—Except as provided in paragraph (2), the determination and report of the President under subsection (a) shall be transmitted in unclassified form.

(2) EXCEPTION.—The determination and report of the President under subsection (a) may be transmitted in classified form if the President certifies to the appropriate congressional committees that it is vital to the national security interests of the United States to do so.

SEC. 6. RESTRICTIONS ON NUCLEAR COOPERATION WITH COUNTRIES AIDING PROLIFERATION BY IRAN, NORTH KOREA, OR SYRIA.

(a) IN GENERAL.—

(1) RESTRICTIONS.—Notwithstanding any other provision of law, on or after the date of the enactment of this Act—

(A) no agreement for cooperation between the United States and the government of any country that is assisting the nuclear program of Iran, North Korea, or Syria, or transferring advanced conventional weapons or missiles to Iran, North Korea, or Syria may be submitted to the President or to Congress pursuant to section 123 of the Atomic Energy Act of 1954 (42 U.S.C. 2153);

(B) no such agreement may enter into force with respect to such country;

(C) no license may be issued for export directly or indirectly to such country of any nuclear material, facilities, components, or other goods, services, or technology that would be subject to such agreement; and

(D) no approval may be given for the transfer or retransfer directly or indirectly to such country of any nuclear material, facilities, components, or other goods, services, or technology that would be subject to such agreement,

until the President makes the determination and report under paragraph (2).

(2) DETERMINATION AND REPORT.—The determination and report referred to in paragraph (1)(D) are a determination and report by the President, submitted to the Committee on Foreign Affairs of the House of Representatives and the Committee on Foreign Relations of the Senate, that—

(A) Iran, North Korea, or Syria, as the case may, has ceased its efforts to design, develop, or acquire a nuclear explosive device or related materials or technology; or

(B) the government of the country that is assisting the nuclear programs of Iran, North Korea, or Syria, as the case may be, or transferring advanced conventional weapons or missiles to Iran, North Korea, or Syria, as the case may be—

(i) has suspended all nuclear assistance to Iran, North Korea, or Syria, as the case may be, and all transfers of advanced conventional weapons and missiles to Iran, North Korea, or Syria, as the case may be; and

(ii) is committed to maintaining that suspension until Iran, North Korea, or Syria, as the case may be, has implemented measures that would permit the President to make the determination described in subparagraph (A).

(b) RULES OF CONSTRUCTION.—The restrictions described in subsection (a)(1)—

(1) shall apply in addition to all other applicable procedures, requirements, and restrictions described in the Atomic Energy Act of 1954 and other applicable Acts; and

(2) shall not be construed as affecting the validity of an agreement for cooperation between the United States and the government of a country that is in effect on the date of the enactment of this Act.

(c) DEFINITIONS.—In this section:

(1) AGREEMENT FOR COOPERATION.—The term "agreement for cooperation" has the meaning given that term in section 11 b. of the Atomic Energy Act of 1954 (42 U.S.C. 2014 b.).

(2) ASSISTING THE NUCLEAR PROGRAM OF IRAN, NORTH KOREA, OR SYRIA.—The term "assisting the nuclear program of Iran, North Korea, or Syria" means the intentional transfer to Iran, North

Korea, or Syria by a government, or by a person subject to the jurisdiction of a government with the knowledge and acquiescence of that government, of goods, services, or technology listed on the Nuclear Suppliers Group Guidelines for the Export of Nuclear Material, Equipment and Technology (published by the International Atomic Energy Agency as Information Circular INFCIRC/254/Rev. 3/Part 1, and subsequent revisions), or the Nuclear Suppliers Group Guidelines for Transfers of Nuclear-Related Dual-Use Equipment, Material, and Related Technology (published by the International Atomic Energy Agency as Information Circular INFCIR/254/Rev. 3/Part 2, and subsequent revisions).

(3) COUNTRY THAT IS ASSISTING THE NUCLEAR PROGRAMS OF IRAN, NORTH KOREA, OR SYRIA OR TRANSFERRING ADVANCED CONVENTIONAL WEAPONS OR MISSILES TO IRAN, NORTH KOREA, OR SYRIA.—The term "country that is assisting the nuclear program of Iran, North Korea, or Syria or transferring advanced conventional weapons or missiles to Iran, North Korea, or Syria" means—

(A) the Russian Federation; and

(B) any other country determined by the President to be assisting the nuclear program

of Iran, North Korea, or Syria or transferring advanced conventional weapons or missiles to Iran, North Korea, or Syria.

(4) TRANSFER.—The term "transfer" means the conveyance of technological or intellectual property, or the conversion of intellectual or technological advances into marketable goods, services, or articles of value, developed and generated in one place, to another through illegal or illicit means to a country, the government of which the Secretary of State has determined, for purposes of section 6(j)(1)(A) of the Export Administration Act of 1979 (as in effect pursuant to the International Emergency Economic Powers Act; 50 U.S.C. 1701 et seq.), section 40(d) of the Arms Export Control Act (22 U.S.C. 2780(d)), and section 620A of the Foreign Assistance Act of 1961 (22 U.S.C. 2371), is a government that has repeatedly provided support for acts of international terrorism.

(5) TRANSFERRING ADVANCED CONVENTIONAL WEAPONS OR MISSILES TO IRAN, NORTH KOREA, OR SYRIA.—The term "transferring advanced conventional weapons or missiles to Iran, North Korea, or Syria" means the intentional transfer to Iran, North Korea, or Syria by a government, or by a person

subject to the jurisdiction of a government with the knowledge and acquiescence of that government, of goods, services, or technology listed on—

(A) the Wassenaar Arrangement list of Dual Use Goods and Technologies and Munitions list of July 12, 1996, and subsequent revisions; or

(B) the Missile Technology Control Regime Equipment and Technology Annex of June 11, 1996, and subsequent revisions.

SEC. 7. RESTRICTION ON EXTRAORDINARY PAYMENTS IN CONNECTION WITH THE INTERNATIONAL SPACE STATION.

(a) RESTRICTION.—

(1) IN GENERAL.—Notwithstanding any other provision of law, no agency of the United States Government may make extraordinary payments in connection with the International Space Station to the Russian Aviation and Space Agency, any organization or entity under the jurisdiction or control of the Russian Aviation and Space Agency, or any other organization, entity, or element of the Government of the Russian Federation, unless, during the fiscal year in which such extraordinary payments are to be made, the President has made the determina-

tion described in subsection (b), and reported such determination to the Committee on Foreign Affairs and the Committee on Science and Technology of the House of Representatives and the Committee on Foreign Relations and the Committee on Commerce, Science, and Transportation of the Senate.

(2) WAIVER.—If the President is unable to make the determination described in subsection (b) with respect to a fiscal year in which extraordinary payments in connection with the International Space Station are to be made, the President is authorized to waive the application of paragraph (1) on a case-by-case basis with respect to the fiscal year if not less than 15 days prior to the date on which the waiver is to take effect the President submits to the appropriate congressional committees a report that contains—

(A) the reasons why the determination described in subsection (b) cannot be made;

(B) the amount of the extraordinary payment to be made under the waiver;

(C) the steps being undertaken by the United States to ensure compliance by the Russian Federation with the conditions described in subsection (b); and

(D) a determination of the President that the waiver is vital to the national interests of the United States.

(b) DETERMINATION REGARDING RUSSIAN COOPERATION IN PREVENTING PROLIFERATION RELATING TO IRAN, NORTH KOREA, AND SYRIA.—The determination referred to in subsection (a) is a determination by the President that—

(1) it is the policy of the Government of the Russian Federation (including the law enforcement, export promotion, export control, and intelligence agencies of such Government) to oppose the proliferation to or from Iran, North Korea, and Syria of weapons of mass destruction and missile systems capable of delivering such weapons;

(2) the Government of the Russian Federation (including the law enforcement, export promotion, export control, and intelligence agencies of such Government) has demonstrated and continues to demonstrate a sustained commitment to seek out and prevent the transfer to or from Iran, North Korea, and Syria of goods, services, and technology that could make a material contribution to the nuclear, biological, or chemical weapons, or of ballistic or

cruise missile systems development programs of Iran; and

(3) neither the Russian Aviation and Space Agency, nor any organization or entity under the jurisdiction or control of the Russian Aviation and Space Agency, has, during the one-year period ending on the date of the determination under this subsection made transfers to or from Iran, North Korea, or Syria reportable under section 3(a) (other than transfers with respect to which a determination pursuant to section 5 has been or will be made).

(c) PRIOR NOTIFICATION.—Not less than five days before making a determination under this section, the President shall notify the Committee on Foreign Affairs and the Committee on Science, Space, and Technology of the House of Representatives and the Committee on Foreign Relations and the Committee on Commerce, Science, and Transportation of the Senate of the President's intention to make such a determination.

(d) WRITTEN JUSTIFICATION.—A determination of the President under this section shall include a written justification describing in detail the facts and circumstances supporting the President's conclusion.

(e) TRANSMISSION IN CLASSIFIED FORM.—If the President considers it appropriate, a determination of the

President under this section, a prior notification under subsection (c), and a written justification under subsection (d), or appropriate parts thereof, may be transmitted in classified form.

(f) EXCEPTION FOR CREW SAFETY.—

(1) EXCEPTION.—The National Aeronautics and Space Administration may make extraordinary payments in connection with the International Space Station to the Russian Aviation and Space Agency or any organization or entity under the jurisdiction or control of the Russian Aviation and Space Agency, or any subcontractor thereof, that would otherwise be prohibited under this section if the President notifies Congress in writing that such payments are necessary to prevent the imminent loss of life of or grievous injury to individuals aboard the International Space Station.

(2) REPORT.—Not later than 30 days after notifying Congress that the National Aeronautics and Space Administration will make extraordinary payments under paragraph (1), the President shall transmit to Congress a report describing—

(A) the extent to which the provisions of subsection (b) had been met as of the date of notification; and

(B) the measures that the National Aeronautics and Space Administration is taking to ensure that—

(i) the conditions posing a threat of imminent loss of life of or grievous injury to individuals aboard the International Space Station necessitating the extraordinary payments are not repeated; and

(ii) it is no longer necessary to make extraordinary payments in order to prevent imminent loss of life of or grievous injury to individuals aboard the International Space Station.

(g) SERVICE MODULE EXCEPTION.—

(1) IN GENERAL.—The National Aeronautics and Space Administration may make extraordinary payments in connection with the International Space Station to the Russian Aviation and Space Agency, any organization or entity under the jurisdiction or control of the Russian Aviation and Space Agency, or any subcontractor thereof, that would otherwise be prohibited under this section for the construction, testing, preparation, delivery, launch, or maintenance of the Service Module, and for the purchase (at a total cost not to exceed $14,000,000) of the

pressure dome for the Interim Control Module and the Androgynous Peripheral Docking Adapter and related hardware for the United States propulsion module, if—

(A) the President has notified Congress at least five days before making such payments;

(B) no report has been made under section 3(a) with respect to an activity of the entity to receive such payment, and the President has no credible information of any activity that would require such a report; and

(C) the United States will receive goods or services of value to the United States commensurate with the value of the extraordinary payments made.

(2) DEFINITION.—For purposes of this subsection, the term "maintenance" means activities that cannot be performed by the National Aeronautics and Space Administration and which must be performed in order for the Service Module to provide environmental control, life support, and orbital maintenance functions which cannot be performed by an alternative means at the time of payment.

(3) TERMINATION.—This subsection shall cease to be effective on the date that is 60 days after the

date on which a United States propulsion module is in place at the International Space Station.

(h) EXCEPTION.—No agency of the United States Government may make extraordinary payments in connection with the International Space Station, or any other payments in connection with the International Space Station, to any foreign person subject to measures applied pursuant to section 4 of Executive Order 12938 (November 14, 1994), as amended by Executive Order 13094 (July 28, 1998).

(i) REPORT ON CERTAIN PAYMENTS RELATED TO INTERNATIONAL SPACE STATION.—

(1) IN GENERAL.—The President shall, together with each report submitted under section 3(a), transmit to the Committee on Foreign Relations of the Senate and the Committee on Foreign Affairs of the House of Representatives a report that identifies each Russian entity or person to whom the United States Government has, since November 22, 2005, made a payment in cash or in kind for work to be performed or services to be rendered under the Agreement Concerning Cooperation on the Civil International Space Station, with annex, signed at Washington January 29, 1998, and entered into force March 27, 2001, or any protocol,

agreement, memorandum of understanding, or contract related thereto.

(2) CONTENT.—Each report transmitted under paragraph (1) shall include—

(A) the specific purpose of each payment made to each entity or person identified in such report; and

(B) with respect to each such payment, the assessment of the President that the payment was not prejudicial to the achievement of the objectives of the United States Government to prevent the proliferation of ballistic or cruise missile systems in Iran and other countries that have repeatedly provided support for acts of international terrorism, as determined by the Secretary of State under section 620A(a) of the Foreign Assistance Act of 1961 (22 U.S.C. 2371(a)), section 6(j) of the Export Administration Act of 1979 (50 U.S.C. App. 2405(j)), or section 40(d) of the Arms Export Control Act (22 U.S.C. 2780(d)).

SEC. 8. EXCLUSION FROM THE UNITED STATES OF SENIOR OFFICIALS OF FOREIGN PERSONS WHO HAVE AIDED PROLIFERATION RELATING TO IRAN.

(a) GROUNDS FOR EXCLUSION.—Except as provided in subsection (b), the Secretary of State shall deny a visa to, and the Secretary of Homeland Security shall exclude from the United States, any alien whom the Secretary of State determines is an alien who, on or after the date of the enactment of this Act, is a—

(1) corporate officer, principal, or shareholder with a controlling interest of a foreign person identified in a report submitted pursuant to section 3(a);

(2) corporate officer, principal, or shareholder with a controlling interest of a successor entity to, or a parent or subsidiary of, a foreign person identified in such a report;

(3) corporate officer, principal, or shareholder with a controlling interest of an affiliate of a foreign person identified in such a report, if such affiliate engaged in the activities referred to in such report, and if such affiliate is controlled in fact by the foreign person identified in such report; or

(4) spouse, minor child, or agent of a person excludable under paragraph (1), (2), or (3).

(b) EXCEPTION.—The President may waive denial of a visa and exclusion from the United States described in

subsection (a) with respect to a person specified in paragraph (5), (6), or (7) of subsection (a) if the President determines and certifies in writing to the Committee on Foreign Affairs and the Committee on Appropriations of the House of Representatives and the Committee on Foreign Relations and the Committee on Appropriations of the Senate, on a case by case basis, that the foreign government with primary jurisdiction over such person has made and continues to make clear, specific efforts to stop and deter the transfer (as such term is defined in section 9) or retransfer of, or the permitting, hosting, or other facilitating of transshipments that may enable the transfer or retransfer of goods or technology that contribute to the efforts by Iran, Syria, or North Korea to acquire or develop advanced conventional weapons, or to acquire, develop, produce, or stockpile biological, chemical, radiological, or nuclear weapons or long-range ballistic missiles, cruise missiles, or destabilizing types and amounts of conventional weapons.

(c) DEFINITIONS.—In this section—

(1) the term "advanced conventional weapons" means goods, services, or technology listed on—

(A) the Wassenaar Arrangement list of Dual Use Goods and Technologies and Muni-

tions list of July 12, 1996, and subsequent revisions; or

(B) the Missile Technology Control Regime Equipment and Technology Annex of June 11, 1996, and subsequent revisions; and

(2) the term "transshipment" means the transfer of cargo from one vessel or conveyance to another vessel for further transit to complete the voyage and carry the cargo to its ultimate destination.

SEC. 9. PROHIBITION ON CERTAIN VESSELS LANDING IN THE UNITED STATES; ENHANCED INSPECTIONS.

The Ports and Waterways Safety Act (33 U.S.C. 1221 et seq.) is amended by adding at the end the following:

"SEC. 16. PROHIBITION ON CERTAIN VESSELS LANDING IN THE UNITED STATES; ENHANCED INSPECTIONS.

"(a) CERTIFICATION REQUIREMENT.—

"(1) IN GENERAL.—Beginning on the date of enactment of the Iran, North Korea, and Syria Nonproliferation Reform and Modernization Act of 2011, before a vessel arrives at a port in the United States, the owner, charterer, operator, or master of the vessel shall certify that the vessel did not enter

a port in Iran, North Korea, or Syria during the 180-day period ending on the date of arrival of the vessel at the port in the United States.

"(2) FALSE CERTIFICATIONS.—The Secretary shall prohibit from landing at a port in the United States for a period of at least 2 years—

"(A) any vessel for which a false certification was made under section (a); and

"(B) any other vessel owned by a parent corporation, partnership, association, or individual proprietorship of the vessel for which the false certification was made.

"(b) ENHANCED INSPECTIONS.—The Secretary shall—

"(1) identify foreign ports at which vessels have landed during the preceding 12-month period that have also landed at ports in Iran, North Korea, or Syria during that period; and

"(2) inspect vessels arriving in the United States from foreign ports identified under paragraph (1) to establish whether the vessel was involved, during the 12-month period ending on the date of arrival of the vessel at the port in the United States, in any activity that would be subject to sanctions under the Iran, North Korea, and Syria Non-

proliferation Reform and Modernization Act of 2011.".

SEC. 10. SANCTIONS WITH RESPECT TO CRITICAL DEFENSE RESOURCES PROVIDED TO OR ACQUIRED FROM IRAN, NORTH KOREA, OR SYRIA.

(a) IN GENERAL.—The President shall apply the sanctions described in subsection (b) to any person the President determines is, on or after the date of the enactment of this Act, providing to, or acquiring from, Iran, North Korea, or Syria any good or technology that the President determines is used, or is likely to be used, for military applications.

(b) SANCTIONS DESCRIBED.—The sanctions described in this subsection are, with respect to a person described in subsection (a), the following:

(1) FOREIGN EXCHANGE.—Prohibiting any transactions in foreign exchange that are subject to the jurisdiction of the United States and in which that person has any interest.

(2) BANKING TRANSACTIONS.—Prohibiting any transfers of credit or payments between financial institutions or by, through, or to any financial institution, to the extent that such transfers or payments are subject to the jurisdiction of the United States and involve any interest of that person.

(3) PROPERTY TRANSACTIONS.—Prohibiting any person from—

(A) acquiring, holding, withholding, using, transferring, withdrawing, transporting, importing, or exporting any property that is subject to the jurisdiction of the United States and with respect to which the person described in subsection (a) has any interest;

(B) dealing in or exercising any right, power, or privilege with respect to such property; or

(C) conducting any transaction involving such property.

(4) LOAN GUARANTEES.—Prohibiting the head of any Federal agency from providing a loan guarantee to that person.

(c) RESTRICTIONS ON EXPORT LICENSES FOR NUCLEAR COOPERATION AND CERTAIN LOAN GUARANTEES.—Before issuing a license for the exportation of any article pursuant to an agreement for cooperation under section 123 of the Atomic Energy Act of 1954 (42 U.S.C. 2153) or approving a loan guarantee or any other assistance provided by the United States Government with respect to a nuclear energy project, the Secretary of Energy, the Secretary of Commerce, and the Nuclear Regulatory

Commission shall certify to Congress that issuing the license or approving the loan guarantee or other assistance (as the case may be) will not permit the transfer of any good or technology described in subsection (a) to Iran, North Korea, or Syria.

SEC. 11. DEFINITIONS.

In this Act:

(1) ADHERENT TO RELEVANT NONPROLIFERATION REGIME.—A government is an "adherent" to a "relevant nonproliferation regime" if such government—

(A) is a member of the Nuclear Suppliers Group with respect to a transfer of goods, services, or technology described in section 3(a)(1)(A)(i);

(B) is a member of the Missile Technology Control Regime with respect to a transfer of goods, services, or technology described in section 3(a)(1)(A)(ii), or is a party to a binding international agreement with the United States that was in effect on January 1, 1999, to control the transfer of such goods, services, or technology in accordance with the criteria and standards set forth in the Missile Technology Control Regime;

(C) is a member of the Australia Group with respect to a transfer of goods, services, or technology described in section 3(a)(1)(A)(iii);

(D) is a party to the Convention on the Prohibition of the Development, Production, Stockpiling and Use of Chemical Weapons and on Their Destruction with respect to a transfer of goods, services, or technology described in section 3(a)(1)(A)(iv); or

(E) is a member of the Wassenaar Arrangement with respect to a transfer of goods, services, or technology described in section 3(a)(1)(A)(v).

(2) APPROPRIATE CONGRESSIONAL COMMITTEES.—The term "appropriate congressional committees" means the Committee on Foreign Affairs of the House of Representatives and the Committee on Foreign Relations and the Committee on Banking, Housing, and Urban Affairs of the Senate.

(3) EXTRAORDINARY PAYMENTS IN CONNECTION WITH THE INTERNATIONAL SPACE STATION.—The term "extraordinary payments in connection with the International Space Station" means payments in cash or in kind made or to be made by the United States Government—

(A) for work on the International Space Station which the Government of the Russian Federation pledged at any time to provide at its expense, or

(B) for work on the International Space Station, or for the purchase of goods or services relating to human space flight, that are not required to be made under the terms of a contract or other agreement that was in effect on January 1, 1999, as such terms were in effect on such date,

except that such term does not mean payments in cash or in kind made or to be made by the United States Government before December 31, 2020, for work to be performed or services to be rendered before such date necessary to meet United States obligations under the Agreement Concerning Cooperation on the Civil International Space Station, with annex, signed at Washington January 29, 1998, and entered into force March 27, 2001, or any protocol, agreement, memorandum of understanding, or contract related thereto.

(4) FOREIGN PERSON.—The term "foreign person" means—

(A) a natural person who is an alien;

(B) a corporation, business association, partnership, society, trust, or any other non-governmental entity, organization, or group, successor, subunit, or subsidiary organized under the laws of a foreign country or that has its principal place of business in a foreign country; and

(C) any foreign government, including any foreign governmental entity.

(5) KNOWINGLY.—The term ''knowingly'', with respect to conduct, a circumstance, or a result, means that a person has actual knowledge, or should have known, of the conduct, the circumstance, or the result of such conduct, circumstance, or result.

(6) ORGANIZATION OR ENTITY UNDER THE JURISDICTION OR CONTROL OF THE RUSSIAN AVIATION AND SPACE AGENCY.—

(A) DEFINITION.—The term ''organization or entity under the jurisdiction or control of the Russian Aviation and Space Agency'' means an organization or entity that—

(i) was made part of the Russian Space Agency upon its establishment on February 25, 1992;

(ii) was transferred to the Russian Space Agency by decree of the Government of the Russian Federation on July 25, 1994, or May 12, 1998;

(iii) was or is transferred to the Russian Aviation and Space Agency or Russian Space Agency by decree of the Government of the Russian Federation at any other time before, on, or after March 14, 2000; or

(iv) is a joint stock company in which the Russian Aviation and Space Agency or Russian Space Agency has at any time held controlling interest.

(B) EXTENSION.—Any organization or entity described in subparagraph (A) shall be deemed to be under the jurisdiction or control of the Russian Aviation and Space Agency regardless of whether—

(i) such organization or entity, after being part of or transferred to the Russian Aviation and Space Agency or Russian Space Agency, is removed from or transferred out of the Russian Aviation and Space Agency or Russian Space Agency; or

(ii) the Russian Aviation and Space Agency or Russian Space Agency, after holding a controlling interest in such organization or entity, divests its controlling interest.

(7) SUBSIDIARY.—The term "subsidiary" means an entity (including a partnership, association, trust, joint venture, corporation, or other organization) of a parent company that controls, directly or indirectly, the other entity.

(8) TRANSFER OR TRANSFERRED.—The term "transfer" or "transferred", with respect to a good, service, or technology, includes—

(A) the conveyance of technological or intellectual property; and

(B) the conversion of technological or intellectual advances into marketable goods, services, or technology of value that is developed and generated in one location and transferred to another location through illegal or illicit means.

(9) UNITED STATES PERSON.—The term "United States person" means—

(A) a natural person who is a citizen or resident of the United States; or

(B) an entity that is organized under the laws of the United States or any State or territory thereof.

(10) VESSEL.—The term "vessel" has the meaning given such term in section 1081 of title 18, United States Code. Such term also includes aircraft, regardless of whether or not the type of aircraft at issue is described in such section.

(11) TECHNICAL ASSISTANCE.—The term "technical assistance" means providing of advice, assistance, and training pertaining to the installation, operation, and maintenance of equipment for destabilizing types and forms of conventional weapons.

SEC. 12. REPEAL OF IRAN, NORTH KOREA, AND SYRIA NONPROLIFERATION ACT.

(a) REPEAL.—The Iran, North Korea, and Syria Nonproliferation Act (50 U.S.C. 1701 note) is repealed.

(b) REFERENCES.—Any reference in a law, regulation, document, or other record of the United States to the Iran, North Korea, and Syria Nonproliferation Act shall be deemed to be a reference to this Act.

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Chairman ROS-LEHTINEN. I now recognize myself for remarks on the measure.

Today, we are considering H.R. 2105, the Iran, Syria, and North Korea Nonproliferation Modernization and Reform Act, for which there is an amendment in the nature of a substitute.

The legislation has a finer focus than ITRA's broad reach, namely on those persons or countries which are directly assisting Iran's efforts to acquire or develop weapons of mass destruction, especially its nuclear program, as well as missiles and other advanced conventional weapons.

It is not possible to stop Iran's nuclear weapons program without targeting its nuclear program as a whole, because there is no safe dividing line between those activities and facilities that are purely peaceful and those which are military-related. Even seemingly safe material, such as low-enriched uranium, can be used in radiological devices. So we have no choice but to target the entire sector, which, I might add, is the subject of the U.N. Security Council resolutions, as well, which call for a halt to Iran's entire nuclear program.

Those penalties necessarily must include prohibiting U.S. nuclear cooperation with countries which either assist or allow their citizens to assist Iran's WMD program. The amendment in the nature of a substitute which is being offered adds some new and important measures, including changing the reporting requirement from every 6 months to every 4 months and expanding the range of actions covered; also, denying an exemption to those assisting the acquisition by Iran, North Korea, or Syria of destabilizing amounts of conventional weapons; and tightening the prohibition on landing rights in the U.S. regarding vessels that have visited ports in Iran, North Korea, or Syria in the preceding 2 years.

I believe this amendment strengthens the legislation, and I urge my colleagues to vote for its adoption.

And I now turn to my friend, the ranking member, for remarks that he would care to make.

Mr. BERMAN. Thank you, Madam Chairman.

The Iran, North Korea, and Syria Nonproliferation Sanctions Act—we call it "INKSNA"—was initiated by Chairman Ben Gilman, and it forced the United States Government to review all intelligence or credible evidence regarding sensitive transfers of goods and services related to WMD missiles or conventional weapons and made such transfers sanctionable acts.

While the reports required by INKSNA are 2 years behind schedule, an ongoing problem that has plagued successive administrations, we have frequently seen new rounds of sanctions issued against companies and individuals who are more interested in making a buck than in protecting the global security environment.

The specific details of sanction transfers are classified, but press reports indicated INKSNA sanctions have been imposed, for example, on Chinese entities for selling carbon fiber and pressure transducers—did you hear that, Mr. Rohrabacher—which would assist Iran in building more advanced gas centrifuges. Multiple Russian, Chinese, and even the European weapons exporters have been sanctioned, presumably for the transfer of arms to Iran and Syria, and Chinese chemical supply companies have been repeatedly sanctioned.

This bill, as amended by the amendment in the nature of a substitute, strengthens INKSNA by making sensitive transfers subject to the full range of sanctions enacted under CISADA. It also extends the waiver of INKSNA prohibitions on payments to Russia for ferrying U.S. Astronauts to the International Space Station to 2016 from until the end of 2012.

I would like to change the chairman for agreeing to support an amendment to address my concerns about the way the underlying bill deals with Russia. I have a number of other ideas about ways to strengthen INKSNA, dealing with expediting the delayed reports and some other issues. But rather than—I look forward to working with the chairman on these strengthening provisions as the process goes forward.

And I support the bill and urge my colleagues to do the same.

Chairman ROS-LEHTINEN. Thank you so much, Mr. Berman.

I understand that Mr. Rohrabacher of California would like to engage in a colloquy regarding a section of this legislation regarding payments to Russians. And I would like to recognize Mr. Rohrabacher at this time.

Mr. ROHRABACHER. Thank you very much, Madam Chairman.

And I thank the ranking member for being so diligent about the Chinese threat, as well. Thank you.

Madam Chairman, as you are aware, for several years American firms have been encouraged to develop new commercial cargo and new crew transportation services to the International Space Station; this is so we will not be totally dependent on Russia for those transportation services now that the space shuttle has been retired.

As a senior member of the Science Committee, I have been following these events very closely. Some of these new services that we are developing here will be using some Russia hardware in their rockets, but the total amount of money flowing to Russia overall will be greatly reduced if we have American commercial providers giving us the services that we now rely totally on the Russian system for.

This legislation still bars any transfer of funds to those companies which proliferate, even though there will be some Russian hardware involved in those commercial companies that will soon be going on the market to be offering their services to the International Space Station.

I would request a clarification. Is it the intent of the chair that any portion of this legislation to stop NASA or other Federal agencies from purchasing services from American firms even as they use some of the technologies within their own rockets from companies in Russia so long as those Russian companies are not proliferating?

Chairman ROS-LEHTINEN. Well, I thank the gentleman for the opportunity to clarify this point regarding purchasing those services from American sources.

Not only does no provision in this legislation have that purpose or effect, but you and I are in full agreement that the U.S. should make every effort to purchase those services from domestic sources as soon as possible. And to that end, to the maximum extent possible, any reliance on Russian sources of any type should be ended.

Mr. ROHRABACHER. Thank you very much. So we are minimizing the actual use of Russian technology, maximizing America's developed technology. Thank you for the clarification.

What I would like to propose today is that the chair, the ranking member, and I, working together with the Science Committee—which, as I say, I am a senior member of the Science Committee—and that we work together as this bill goes to the floor to further perfect this language so that NASA is encouraged to accelerate these commercial services, as compared to being totally reliant on the Russian Government. And, in that matter, we will encourage the growth of jobs in the United States and increase our overall nonproliferation leverage over Russia's Government.

Chairman ROS-LEHTINEN. I thank the gentleman. And I assure you that I will work with the member and with the ranking member and others, including consulting with our colleagues on the Science Committee, to achieve our nonproliferation and space goals more effectively. And I thank the gentleman for raising these important issues.

Mr. ROHRABACHER. Thank you.

Chairman ROS-LEHTINEN. Do other members seek recognition on the underlying bill?

Mr. Sherman is recognized.

Mr. SHERMAN. Thank you. I want to commend you for putting forward what is one of the toughest nonproliferation bills ever to come before this committee. I want to thank you for the opportunity to be the lead Democratic cosponsor.

I commend you for requiring reports every 4 months. Both the last administration and this administration have been somewhat tardy in producing the reports. And I think by shortening the time period and requiring three reports a year, we are underlying the fact that we expect to get these reports and expect to get them on time.

The U.S.-China Economic and Security Review Commission identified a loophole in current law that arguably exempts from sanctions the Chinese companies that are providing short-range antinaval cruise missiles to Iran and perhaps others included in this bill. And I think it is important, especially for the protection of our naval crews, that that be included in this sanctions regime.

Finally, as you know, Madam Chairman, for so many years I have been working to sanction those who would sell uranium mining equipment and technology to Iran. It is critical that we stop Iran's nuclear program. It is just as critical that even if they have enough uranium for one or two devices, that we prevent them from getting any more. That is why we need to work around the world to stop Iran from buying yellow cake or uranium in any form, but it is critically important that we prevent Iran from being able to mine uranium within its own territory. And this bill would go as far as any to accomplish that goal.

So, with that, I yield back.

Chairman ROS-LEHTINEN. Thank you so much, Mr. Sherman.

I would like to point out that it is a delight to have Ms. Wilson back with us and that you are feeling good, you are looking good. Welcome back, Frederica. We missed you.

Ms. WILSON OF FLORIDA. Thank you.

Chairman ROS-LEHTINEN. Do any other members seek recognition to speak on the underlying bill, the amendment in the nature of a substitute?

Do any other members have amendments?

Mr. Berman does. The clerk will read the amendment.

Ms. CARROLL. Amendment to the amendment in the nature of a substitute to H.R. 2105, offered by Mr. Berman of California and Ms. Ros-Lehtinen of California. Page 16, line 12, strike "and." Page 16——

Chairman ROS-LEHTINEN. Thank you. We will consider the amendment as having been read.

[The amendment to the amendment in the nature of a substitute follows:]

AMENDMENT TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE TO H.R. 2105 OFFERED BY MR. BERMAN OF CALIFORNIA AND MS. ROS-LEHTINEN OF FLORIDA

Page 16, line 12, strike "and".

Page 16, line 16, strike the period at the end and insert "; and".

Page 16, after line 16, insert the following:

(3) shall not be construed as applying to assistance for the Bushehr nuclear reactor, unless such assistance is determined by the President to be contributing to the efforts of Iran to develop nuclear weapons.

Page 17, beginning on line 22, strike "means" and all that follows through "country" on line 24 and insert "means any country".

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Chairman ROS-LEHTINEN. And Mr. Berman is recognized to explain his amendment while our wonderful colleagues give out copies. Thank you.

Mr. BERMAN. Thank you very much, Madam Chairman.

This amendment would simply eliminate the specific reference to Russia and would exempt the Bushehr reactor, so long as and only if it is not used for Iran's nuclear weapons program, from sanctions under this bill.

Just to be clear, the amendment would not exempt future civilian power reactors, nor would it prevent Russia from being sanctioned like any other country if they engage in sanctionable activity.

I urge my colleagues to support the amendment.

Chairman ROS-LEHTINEN. I also do support this. I would like to thank the ranking member for his amendment and for working with us right up until the gavel went down to draft that agreeable language.

I support this amendment and would like to ask unanimous consent that it be considered adopted.

Without objection, so ordered.

Do any other members seek recognition?

Seeing no further requests for recognition, the question is on agreeing to the bipartisan amendment in the nature of a substitute, as amended by Mr. Berman.

All those in favor say aye.

All opposed, no.

In the opinion of the chair, the ayes have it, and the amendment in the nature of a substitute, as amended, is agreed to.

Without objection, the underlying bill, H.R. 2105, as amended, is agreed to.

And I now move that the chair be authorized to seek consideration of the measure by the House under suspension of the rules.

Mr. BERMAN. Madam Chairman?

Chairman ROS-LEHTINEN. Yes? Mr. Berman is recognized.

Mr. BERMAN. Could I add a unanimous consent request for general leave for Members of the House to insert statements?

Chairman ROS-LEHTINEN. Without objection, so ordered.

All those in favor say aye.

All opposed, no.

The ayes have it, and the motion is agreed to.

Without objection, the bill, as amended, will be reported as a single amendment in the nature of a substitute incorporating the amendments adopted by our committee. And the staff is directed to make technical and conforming changes.

I want to thank all of the members and especially the staff, this hardworking, bipartisan staff, for the work and the cooperation that went into today's markup.

These are important bills. We are going to change history. We are going to hold the executive branch accountable and make them do the right thing.

Having concluded our business, the committee stands adjourned. Thank you, ladies and gentlemen.

[Whereupon, at 11:10 a.m., the committee was adjourned.]

APPENDIX

Material Submitted for the Record

FULL COMMITTEE MARKUP NOTICE
COMMITTEE ON FOREIGN AFFAIRS

U.S. HOUSE OF REPRESENTATIVES
WASHINGTON, D.C. 20515-0128

Ileana Ros-Lehtinen (R-FL), Chairman

October 26, 2011

You are respectfully requested to attend an OPEN meeting of the Committee on Foreign Affairs, to be held in **Room 2172 of the Rayburn House Office Building (and available live, via the WEBCAST link on the Committee website at http://www.hfca.house.gov)**:

DATE: Wednesday, November 2, 2011

TIME: 10:00 a.m.

MARKUP OF: H.R. 1905, To strengthen Iran sanctions laws for the purpose of compelling Iran to abandon its pursuit of nuclear weapons and other threatening activities, and for other purposes; and

H.R. 2105, To provide for the application of measures to foreign persons who transfer to Iran, North Korea, and Syria certain goods, services, or technology, and for other purposes.

By Direction of the Chairman

The Committee on Foreign Affairs seeks to make its facilities accessible to persons with disabilities. If you are in need of special accommodations, please call 202/225-5021 at least four business days in advance of the event, whenever practicable. Questions with regard to special accommodations in general (including availability of Committee materials in alternative formats and assistive listening devices) may be directed to the Committee.

COMMITTEE ON FOREIGN AFFAIRS

MINUTES OF FULL COMMITTEE MARKUP

Day *Wednesday* Date *11/02/11* Room *2172 RHOB*

Starting Time *10:05A.M.* Ending Time *11:10 A.M.*

Recesses ____ (____to ____) (____to ____) (____to ____) (____to ____) (____to ____) (____to ____)

Presiding Member(s)

Rep. Ileana Ros-Lehtinen

Check all of the following that apply:

Open Session ☑
Executive (closed) Session ☐
Televised ☑

Electronically Recorded (tapcd) ☑
Stenographic Record ☑

BILLS FOR MARKUP: *(Include bill number(s) and title(s) of legislation.)*

H.R. 1905, To strengthen Iran sanctions laws for the purpose of compelling Iran to abandon its pursuit of nuclear weapons and other threatening activities, and for other purposes; and
H.R. 2105, To provide for the application of measures to foreign persons who transfer to Iran, North Korea, and Syria certain goods, services, or technology, adn for other purposes.

COMMITTEE MEMBERS PRESENT:

Attendance sheet attached.

NON-COMMITTEE MEMBERS PRESENT:

STATEMENTS FOR THE RECORD: *(List any statements submitted for the record.)*

Rep. Laura Richardson (SFR), Rep. Cardoza (SFR), Rep. Connolly (SFR), and Rep. Paul (SFR).

ACTIONS TAKEN DURING THE MARKUP: *(Attach copies of legislation and amendments.)*

RECORDED VOTES TAKEN (FOR MARKUP): *(Attach final vote tally sheet listing each member.)*

Subject	Yeas	Nays	Present	Not Voting

TIME SCHEDULED TO RECONVENE _____
or
TIME ADJOURNED *11:10 A.M.*

Doug Anderson, General Counsel

Hearing/Briefing Title: Mark-up H.R. 1905 & H.R. 2105

Date: 11/2/11

Present	Member
X	Ileana Ros-Lehtinen, FL
X	Christopher Smith, NJ
	Dan Burton, IN
X	Elton Gallegly, CA
X	Dana Rohrabacher, CA
	Donald Manzullo, IL
X	Edward R. Royce, CA
X	Steve Chabot, OH
	Ron Paul, TX
X	Mike Pence, IN
	Joe Wilson, SC
	Connie Mack, FL
X	Jeff Fortenberry, NE
	Michael McCaul, TX
X	Ted Poe, TX
X	Gus M. Bilirakis, FL
X	Jean Schmidt, OH
X	Bill Johnson, OH
	David Rivera, FL
	Mike Kelly, PA
	Tim Griffin, AK
	Tom Marino, PA
X	Jeff Duncan, SC
X	Ann Marie Buerkle, NY
X	Renee Ellmers, NC
X	Robert Turner, NY

Present	Member
X	Howard L. Berman, CA
X	Gary L. Ackerman, NY
	Eni F.H. Faleomavaega, AS
	Donald M. Payne, NJ
X	Brad Sherman, CA
	Eliot Engel, NY
	Gregory Meeks, NY
X	Russ Carnahan, MO
X	Albio Sires, NJ
X	Gerry Connolly, VA
X	Ted Deutch, FL
	Dennis Cardoza, CA
X	Ben Chandler, KY
X	Brian Higgins, NY
	Allyson Schwartz, PA
	Chris Murphy, CT
X	Frederica Wilson, FL
X	Karen Bass, CA
X	William Keating, MA
X	David Cicilline, RI

Statement on Mark-up of HR 1905, the Iran Threat Reduction Act of 2011
House Foreign Affairs Committee

Rep. Ron Paul, M.D.
November 2, 2011

Mme Chairman:

I would like to express my concerns over the Iran Threat Reduction Act of 2011 and my opposition to it being brought to the Floor for a vote. Let us be clear on one critical matter: the sanctions against Iran mandated by this legislation are definite steps toward a US attack on Iran. They will also, if actually applied, severely disrupt global trade and undermine the US economy, thereby harming our national security.

I am surprised and disturbed that the committee viewed this aggressive legislation to be so bipartisan and uncontroversial that a recorded vote was not even called.

Some may argue that we are pursuing sanctions so as to avoid war with Iran, but recent history teaches us otherwise. For how many years were sanctions placed on Iraq while we were told they were necessary to avoid war? Thousands of innocent Iraqis suffered and died under US sanctions and still the US invaded, further destroying the country. Are we safer after spending a trillion dollars or more to destroy Iraq and then rebuild it?

These new sanctions against Iran increasingly target other countries that seek to trade with Iran. The legislation will severely punish foreign companies or foreign subsidiaries of US companies if they do not submit to the US trade embargo on Iran. Some 15 years after the Iran Sanctions Act of 1996 failed to bring Iran to its knees, it is now to be US foreign policy to threaten foreign countries and companies.

During this mark-up one of my colleagues argued that if Mercedes-Benz wants to sell trucks to Iran, they should not be allowed to do business in the United States. Does anyone believe this is a good idea? I wonder how the Americans working at the Mercedes-Benz factory in Tuscaloosa County, Alabama would feel about banning Mercedes from the United States. Or perhaps we might ask the 7,600 Americans who work in the BMW factory in Spartanburg, SC how they would feel. Should the American consumer be denied the right to purchase these products? Is the United States really prepared to take such aggressive and radical action against its NATO ally Germany?

Likewise, the application of the sanctions in this legislation would have a dramatic impact on US commercial and diplomatic relations with Russia and China, who both do business with Iran. It would impose strong sanctions on these countries and would prohibit foreign business leaders – and their spouses and children – from entering the United States. Do we want to start a trade war – or worse – with Russia and China?

The Iran Threat Reduction Act authorizes what will no doubt be massive amounts of US taxpayer money to undermine the Iranian government and foment another "Green Revolution"

there. We will establish and prop up certain factions over others, send them enormous amounts of money, and attempt to fix any resulting elections so that our preferred candidates win. Considering the disturbing aftermath of our "democracy promotion" operations in places like Egypt, Iraq, Libya, where radical forces have apparently come out on top, it may be fair to conclude that such actions actually undermine US national security rather than bolster it.

Sanctions do not work. They are precursors to war and usually lead to war. They undermine our economy and our national security. They result in terrible, unnecessary suffering among the civilian population in the target countries and rarely even inconvenience their leaders. We must change our foreign policy from one of interventionism and confrontation to cooperation and diplomacy. This race to war against Iran is foolhardy and dangerous. As with the war on Iraq, the arguments for further aggression and war on Iran are based on manipulations and untruths. We need to learn our lesson and reject this legislation and the push for war.

The Honorable Gerald E. Connolly (VA-11)

HCFA Markup

H.R. 1905: To strengthen Iran sanctions laws for the purpose of compelling Iran to abandon its pursuit of nuclear weapons and other threatening activities, and for other purposes.

H.R. 2105: To provide for the application of measures to foreign persons who transfer to Iran, North Korea, and Syria certain goods, services, or technology, and for other purposes.

Wednesday, Nov. 2, 2011

10am

The Iran Threat Reduction Act (H.R. 1905) further strengthens the sanctions regime established by the United States under the Comprehensive Iran Sanctions, Accountability, and Divestment Act of 2010 (CISADA). Multilateral actions through the UN Security Council, including the passage of Resolution 1929, have further squeezed the regime in Tehran. This bipartisan bill's goal is to "bring to bear the full weight of the U.S. by seeking to close the loopholes in existing energy and financial sanctions laws, while increasing the type and number of sanctions to be imposed."[1]

CONNOLLY AMENDMENT to H.R. 1905

I thank the Chairman for including the text of my amendment into her Amendment in the Nature of a Substitute (ANS). Section 207 of the bill requires the Secretary of State to submit an annual report on a *Comprehensive Strategy to Promote Internet Freedom and Access Information in Iran*. My amendment (on page 68, lines 17-21 of the ANS) ensures that that the strategy includes recommendations on "[expanding] access to proxy servers for democracy activists in Iran" and "[discouraging] telecommunication and software companies from facilitating Internet censorship by the government of Iran." The amendment aims to facilitate the organic nature of movements within Iran without co-opting them. I thank the Chairman for her leadership, and I look forward to supporting this bill.

H.R. 1905

H.R. 1905 has built-in safeguards to ensure that the President has the flexibility he needs to conduct U.S. foreign policy. Most importantly, the bill authorizes the President to waive imposition of sanctions if such action is in the national security interest of the United States. It also authorizes the President to terminate sanctions after one year if the sanctioned person is no longer engaging in a sanctionable activity and the President has received reliable assurances that the person will not knowingly engage in such future activity.

The bill acknowledges human rights issues in Iran through concrete policy provisions. For example, it authorizes the President to provide financial and political assistance to certain pro-democracy entities in Iran. Moreover, the bill imposes visa, property, and financial sanctions on persons identified as officials of the government of Iran, security services, or the Islamic Revolutionary Guard Corps (IRGC), who were complicit in the commission of serious human rights abuses against citizens of Iran or their family members on or after June 12, 2009 (the date of Iran's fraudulent elections), regardless of whether such abuses occurred in Iran.

Among other things, the bill also:

[1] Chairman Ileana Ros-Lehtinen, Press Release, "Ros-Lehtinen Introduces New Iran Sanctions Legislation to Close Loopholes, Mandate Enforcement," May 16, 2011.

- Urges the President to initiate diplomatic efforts to expand the multilateral sanctions regime regarding Iran.
- Directs the President to initiate an investigation into the imposition of sanctions upon receipt of credible information that a person is engaged in a sanctionable activity under the bill.
- Requires an Administration report listing all persons who are members of named Iranian government institutions, including high ranking Revolutionary Guard officers—and ban visas for the named individuals.
- Defines sanctions to include: (1) prohibitions on Export-Import Bank assistance, (2) prohibitions on loans from U.S. financial institutions and other financial services, (3) prohibitions on foreign exchange and other banking transactions, (4) prohibitions on property transactions, and (5) export and procurement sanctions.
- Terminates the provisions of the Act when Iran: (1) has dismantled its efforts to develop or acquire nuclear, chemical and biological weapons; (2) no longer provides support for acts of international terrorism; and (3) poses no threat to U.S. national security, interests, or allies.

H.R. 2105

The Iran, North Korea, and Syria Nonproliferation Reform and Modernization Act of 2011 (H.R. 2105) updates the existing U.S. law that sanctions Iran, North Korea, and Syria. The bill prohibits the senior officials (and their spouses and children) of sanctioned companies from entering the U.S. unless the President certifies that the government of jurisdiction has made and continues to make "clear, specific efforts" to stop and deter the prohibited transfer. The bill also adds a restriction on entering into a new 123 agreement with a country if that country is assisting the "nuclear program" of Iran, North Korea, or Syria. This same restriction applies to licensing nuclear-related exports to a country with which the U.S. already has a 123 agreement, and specifically names Russia as a country that is assisting the nuclear program of Iran, North Korea, or Syria.

The naming of Russia is a cause for concern, given Russia's recent cooperation on sanctioning Iran through the UN Security Council (e.g. UNSCR 1929), given the fact that no other country is specifically named in H.R. 2105. Russia's status as a permanent member of the UNSC means that the United States will require its support in future multilateral actions against Iran's nuclear program. But it is fortunate that the bill extends the waiver of "extraordinary payments" restrictions to Russia for transport of U.S. astronauts to the International Space Station from 2016 to 2020. The Russians are our only ride into space, and withholding payments for space transport could cause irreparable harm to our space industry.

Among other things, the bill also:

- Replaces the President's discretionary authority to impose sanctions with a requirement to do so.
- Penalizes transfers of mining equipment and technology to Iran, North Korea, and Syria that could assist in mining or milling of uranium.
- Prohibits any commercial cargo vessel or aircraft to land in the U.S. if such vessel "knowingly entered" a port or airfield in Iran, North Korea, or Syria in the past six months.

As we markup these two bills, I'm confident the Committee will continue to work toward the national security interest of the U.S. and its allies. The imposition of sanctions is one of many tools, and this Committee is rightfully ensuring that the President has the legislative authority to impose the strongest sanctions possible.

Cardoza Opening Statement

HFAC Committee Markup, November 3, 2011

- I would like to thank the chairman and ranking member for organizing this markup to consider two bills that will impose additional necessary sanctions and oversight to Iran, Syria and North Korea
- These countries routinely commit habitual and extreme human rights abuses
- Additionally, Iran and North Korea are widely recognized as attempting to acquire nuclear weapons
- President Obama has said that he is committed to the reduction and eventual elimination of nuclear weapons worldwide. Like the President, I strongly oppose the development of new nuclear weapons, which is why I find North Korea and Iran's continuing pursuit of viable nuclear weapons to be extremely disturbing.
- Simply put, rogue regimes who are habitual abusers of basic human rights cannot be allowed to control even the smallest nuclear arsenal
- As we are all aware, Syria and Iran are close allies, and the fall of the Syrian regime could seriously impact Iran's strategic goals in the region.

- Despite Iran's election to the U.N. Commission on the Status of Women, Iran continues to have a deplorable record on human rights.
- This record, according to a recent State Department human rights report, include 312 unjust executions, politically motivated abductions by security forces, torture, arbitrary arrest and detention, and arrest of women's rights activists.
- Iran took drastic steps to quell a democratic uprising within its own borders.
- It is increasingly likely that Iran is advising Syrian President Asad on ways to brutally suppress the populist and democratic uprising in Syria
- These rogue regimes seem willing to go to any length in order to maintain power and to sow seeds of discord throughout the world.
- The actions contained within these bills will apply additional economic and diplomatic pressure to these regimes and I fully support them.
- Thank you, and I yield back.

CONGRESSWOMAN LAURA RICHARDSON OF CALIFORNIA

COMMITTEE ON FOREIGN AFFAIRS
MARKUP OF
H.R. 1905,
THE IRANIAN THREAT REDUCTION ACT

NOVEMBER 2, 2011
2172 RAYBURN



CHAIRMAN ROS-LEHTINEN, RANKING MEMBER BERMAN AND MEMBERS OF THE COMMITTEE:

Thank you for convening this hearing and for allowing me to express my strong support of H.R. 1905, the Iranian Threat Reduction Act. This legislation is of critical importance to the nation, and I applaud the Committee's timely attention to this matter.

I believe it is imperative that the United States take the lead in opposing Iran's strong quest to produce nuclear weapons. Such a development would produce the greatest destabilizing element into that volatile region the world has ever known. The recent discovery of a plot to assassinate the Saudi Ambassador to the United States on American soil is but the latest reminder of the urgent need for the United States to take forceful and effective action to ensure that Iran does not succeed in developing the capability to produce nuclear weapons.

Last year, Congress passed H.R. 2194, the Iran Sanctions, Accountability and Divestment Act. This legislation marked the most comprehensive Iran sanctions legislation ever passed by Congress. While current sanctions on Iran have impeded Iran's ability to successfully develop a nuclear weapon, most experts agree that Iran will have nuclear capabilities in the next two to three years if tougher sanctions are not imposed. According to a recent report released by the International Atomic Energy Agency, Iran has a stockpile of low-enriched uranium that if further enriched could produce three nuclear weapons.

TODAY, THE LEGISLATION AT HAND, WHEN

~~H~~.R. 1905 strongly reflects the demands of the international community that tougher sanctions must be placed on Iranian leaders. ~~to end their nuclear program~~. ~~If~~ enacted, H.R. 1905 would increase sanctions on human rights violators in Iran, impose tougher sanctions on the Islamic Revolutionary Guard Corps (IRGC), and would finally codify the U.S. policy to prevent Iran from developing unconventional weapons and ballistic missiles. This bill takes steps to peacefully thwart Iran's nuclear aspirations.

NECESSARILY

While the Arab Spring has deflected a lot of attention away from Iran's nuclear enrichment program, H.R. 1905 will help to refocus our efforts on appropriately addressing this critical issue. Leaders in the Iranian government have shown repeatedly that they are unwilling to comply with international demands to scrap their nuclear program.

For these reasons, I strongly support this bill and look forward to voting for it when it comes to the floor for final passage.

Thank you and I yield back the remainder of my time.

PHYSICALLY ATTENDED THIS FOREIGN AFFAIRS HEARING TO

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